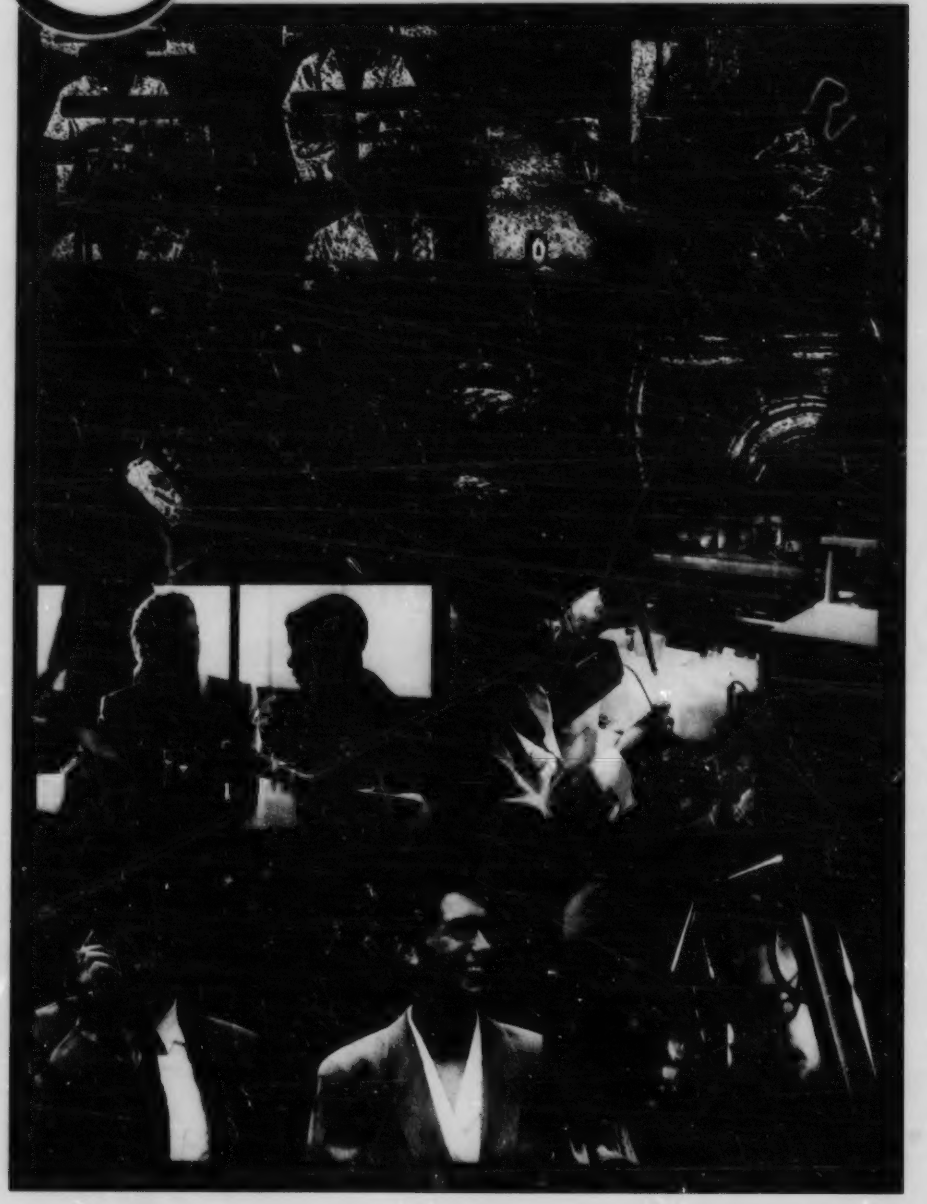
Workplace gazette

An Industrial Relations Quarterly

Winter
2001

Vol. 4, No. 4

- Union Bargaining Priorities in the New Economy
- Considering Labour-Management Relations Issues
- The Influence of Employee Involvement on Productivity



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AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

This issue includes the third quarter data for 2001 on wage adjustments in major collective agreements, both current and historical by public and private sectors, by region, by jurisdiction and by major industry. Also included, is a listing of major settlements reached in the third quarter of 2001; highlights from our annual collective bargaining forecast; an overview of selected provisions featured in current collective agreements, as well as information on work stoppages for the third and second quarters of 2001.

Innovative practices in the workplace resulting from collective bargaining are summarized. Labour and business perspectives on Canada's skills challenges are described, based on results from a major survey undertaken by the Canadian Labour and Business Centre.

Statistics on union bargaining priorities and perceived success were derived from the latest survey of labour organizations in Canada and analyzed by P. Kumar and G. Murray. The issue of labour-management relations as perceived by business and labour representatives is described by T. Wagar. J. Bélanger extensively reviews research on the influence of employee involvement on productivity. Finally, R. Adams provides a brief introduction to international labour law and its implications for Canadian policy and practice.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments. Yesterday and Today focusses on contract duration.

The departmental library is featuring a selected annotated bibliography on work-life balance.

Workplace Information

Information sur les milieux de travail

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MAJOR WAGE SETTLEMENTS – THIRD QUARTER 2001*

Summary

- Base-rate wage increases for the **third quarter of the year 2001** averaged **3.4 per cent**
- Wage adjustments in third-quarter **public-sector** settlements averaged **3.6 per cent**. In the **private sector**, wage adjustments averaged **3.2 per cent**
- Alberta recorded the largest wage gains at 5.1 per cent
- On an industry basis, the largest concentration of employees was in **construction** (with 40 per cent of all employees) and wage adjustments in this sector averaged **3.3 per cent**

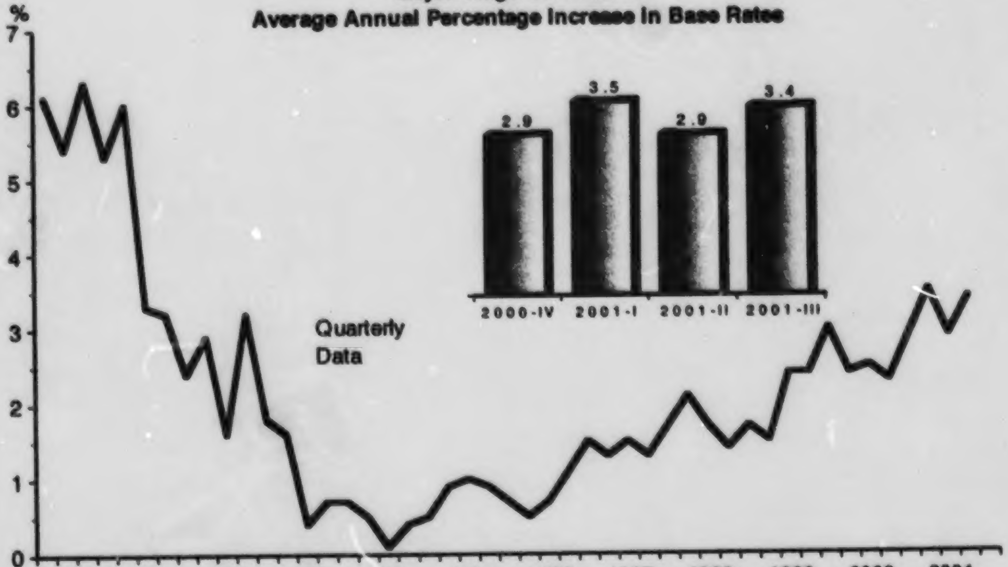
Overview

Major collective bargaining settlements reached in the **third quarter of the year 2001** provided base-rate wage increases averaging **3.4 per cent** annually over the contract-term, up from 2.9 per cent in the second quarter but still fractionally lower than the 3.5 per cent figure in the first quarter of 2001. The 3.4 per cent gain in the third quarter of the year 2001 still remains below the most recent annual peak of 5.6 per cent in 1990.

The results for the third quarter 2001 are based on a review of 86 settlements covering 230,060 employees. When the parties to these settlements previously negotiated, the resulting wage adjustments averaged 1.8 per cent.

Chart A

Major Wage Settlements
Average Annual Percentage Increase in Base Rates



Source: Workplace Information Directorate

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* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

Several large health sector settlements, including some nursing agreements, had a large impact on this quarter's wage figure. There is also higher settlement activity in the construction sector.

Since 1993, average wage adjustments in the private sector had generally been above those in the public sector, although the gap had been narrowing since late 1997. However since early 2000, public sector increases have generally been higher than those in the private sector.

Distribution by Size of Wage Adjustments

The overall size of wage adjustments has trended upwards moderately since 1994. With the increasing size of wage adjustments there has been a corresponding decline in the incidence of wage freezes and wage cuts. In 1994, nearly two-thirds of all employees were subject to wage freezes or cuts. By last year, that proportion had dropped to 0.8 per cent of all employees; a fractionally lower percentage (0.7 per cent of all workers) of employees in a single settlement reached in the first quarter of this year were subject to a wage freeze (Montréal firefighters). There were no wage cuts.

In the third quarter 2001, a very large concentration of employees received wage increases in the 3.0 to 3.9 per cent range; 37.1 per cent of all employees obtained wage adjustments in that range. Just slightly above 33 per cent of employees received increases of 2.0 to 2.9 per cent; therefore, over two-thirds of all employees received increases ranging from 2.0 to 3.9 per cent. About 2.0 per cent of employees received increases below the 2.0 per cent level; while slightly over 26 per cent of employees received increases of 4.0 per cent to 6.7 per cent.

Public and Private Sectors

Public sector increases were slightly higher than those in the private sector. Wage adjustments for 123,930 employees in 54 third-quarter **public-sector** settlements averaged **3.6 per cent,** higher than the previous quarter average of 2.8 per cent yet still slightly lower than the first quarter 2001 average of 3.8 per cent.

In the **private sector**, 32 settlements reached in the third quarter provided wage adjustments averaging **3.2 per cent** for 106,130 employees, up slightly from the 2.9 per cent average in the previous quarter and the 2.4 per cent average in the first quarter.

Table 1

Distribution of Agreements and Employees by Size of Wage Adjustments, Third Quarter 2001

	Agreements		Employees	
Adjustment Range	Number	Percentage	Number	Percentage
0% (No Increase)	1	1.2	1,570	0.7
Over 0.0% to 0.9%	2	2.3	1,840	0.8
1.0% to 1.9%	5	5.8	3,060	1.3
2.0% to 2.9%	34	39.5	77,830	33.8
3.0% to 3.9%	26	30.2	85,460	37.1
4.0% to 4.9%	8	9.3	10,370	4.5
5.0% to 5.9%	8	9.3	42,430	18.4
6.0% to 6.9%	2	2.3	7,500	3.3
ALL LEVELS	86	100.0	230,060	100.0

Note: Due to rounding, sums may not always equal totals.

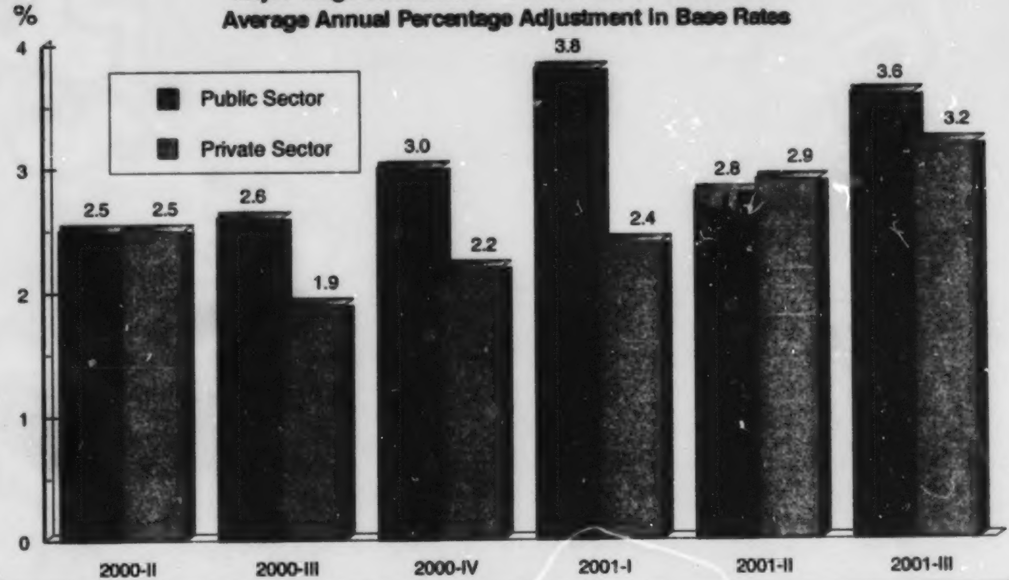
Source: Workplace Information Directorate

The majority of these public sector settlements were in the health sub-sector (30 of 54 public-sector contracts), followed by local administration settlements (15 municipal contracts). The Atlantic Provinces averaged the largest wage adjustments at 4.4 per cent. This was due in part to the above average wage increases received by the Newfoundland public service (5.0 per cent) and the Nova Scotia nurses (5.7 per cent). In British Columbia, 26,000 nurses received increases averaging 5.6 per cent.

In the private sector, the largest concentration of employees involved in third-quarter settlements were in the Quebec construction industry (61.5 per cent of private-sector employees). Wage adjustments in the Quebec construction sector averaged 2.9 per cent. The largest private sector increases were in Alberta averaging 6.3 per cent (all in the construction industry).

Chart B

Major Wage Settlements – Public and Private Sectors
Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate

Wage Adjustments by Region/Jurisdiction

On a regional /jurisdictional basis, third-quarter 2001 wage settlements were largest in the Atlantic Provinces, with wage adjustments averaging 4.4 per cent; the larger wage increases were due in a large part to the nursing settlements (5.7 per cent) in Nova Scotia, mentioned previously, and the Newfoundland public-sector settlements (5.0 per cent).

The second largest average wage settlements were in the Prairie Provinces and British Columbia, both with adjustments averaging 4.1 per cent (the Prairies with 16 contracts covering 35,690 workers and British Columbia with 10 contracts covering 46,900 workers). The largest concentration of employees covered in third-quarter settlements in the Prairie region was in Alberta, which recorded the largest average wage gains at 5.1 per cent. These larger wage increases take into account the lucrative Alberta construction settlements (averaging 6.3 per cent) mentioned previously. In British Columbia, 26,000 nurses received wage increases averaging 5.6 per cent.

Quebec wage increases averaged 2.7 per cent. This province had the largest concentration of employees covered under third-quarter settlements because of the construction agreements. There were 12 major settlements covering 77,860 employees.

In Ontario, 32 agreements provided 39,840 employees with wage increases averaging 3.0 per cent; interestingly, both public and private sectors in Ontario averaged 3.0 per cent. The vast majority of these public sector agreements were in the education sub-sector.

In the Federal jurisdiction, six agreements provided 7,360 employees with wage gains averaging 3.8 per cent. There was also one multiprovince agreement providing 4,500 employees with a wage increase of 2.6 per cent.

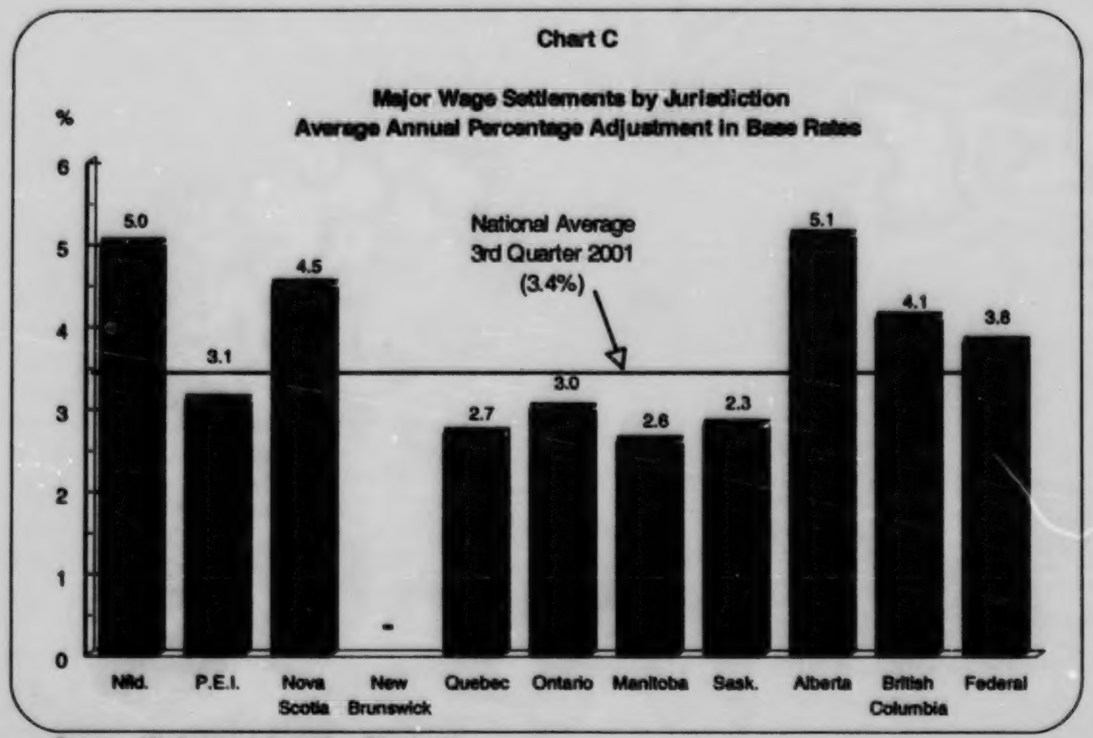


Chart C

Major Wage Settlements by Jurisdiction
Average Annual Percentage Adjustment in Base Rates

Source: Workplace Information Directorate

Wage Adjustments by Industry

On an industry basis, the largest average wage adjustments were in the **information and cultural** sector with a single agreement with Telus Communications providing 1,120 employees with a wage gain of **4.2 per cent**.

The largest concentration of employees (40 per cent) was in the **construction** sector with 92,810 workers in 16 agreements receiving wage increases averaging **3.3 per cent**. Wage increases in this sector ranged from 1.2 per cent for 600 electricians in Manitoba, to a high of 6.7 per cent for 3,500 electricians in Alberta.

The largest number of agreements (30 out of a total of 86 contracts) were settled in the **education, health and social services** sector. They provided 77,620 employees with wage adjustments averaging **3.9 per cent**. Wage increases in this sector ranged from

0.9 per cent for 1,240 office and technical employees with the Board of School Trustees, Division No. 39 in Vancouver, to 5.7 per cent for 6,040 nurses in two agreements in Nova Scotia.

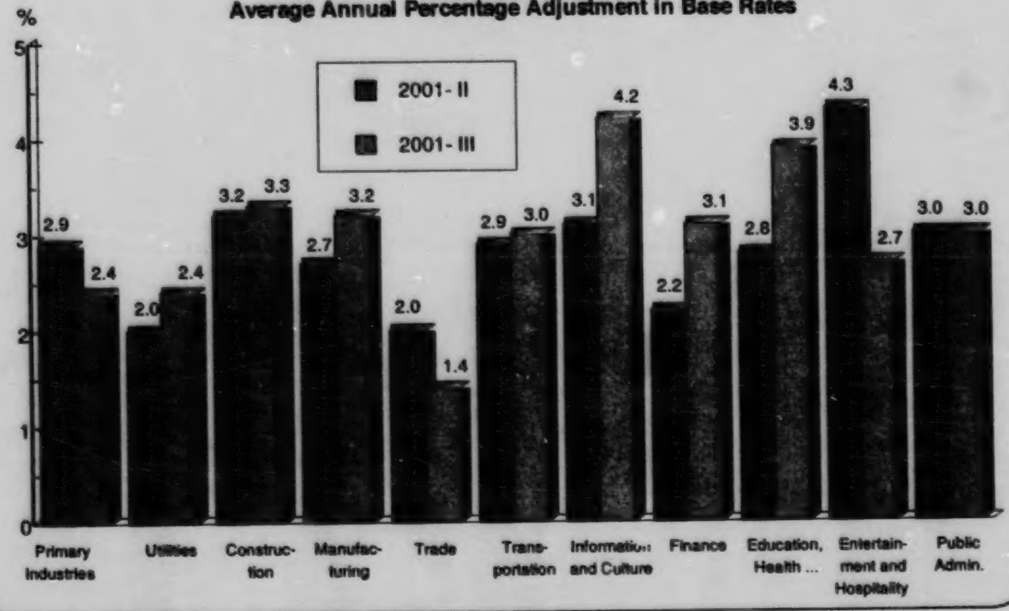
In **public administration**, 19 settlements provided 39,460 employees with increases averaging **3.0 per cent**. Wage increases ranged from a wage freeze for 1,570 firefighters with the City of Montréal to 5.0 per cent for 4,940 public servants with the Government of Newfoundland.

In **manufacturing**, six agreements provided 5,520 employees with wage increases averaging **3.2 per cent**. Wage increases ranged from an incease of 0.5 per cent for 600 production employees of Corus in Quebec, to a high of 4.4 per cent for 2,040 plant employees at Cami Automotive Inc.

In the **finance** sector, there were three major settlements providing 2,750 employees with wage increases averaging **3.1 per cent**. In **transportation**, six agreements provided 7,310 employees with wage increases averaging **3.0 per cent**. The remaining industry sectors had increases below 3.0 per cent and all had a relatively light employee coverage: a single agreement in the **entertainment and hospitality** sector provided a wage increase of **2.7 per cent**. In **primary industries**, another single agreement averaged **2.4 per cent**, and while the **utilities** sector figure also stood at **2.4 per cent**. The lowest average increase by industry was recorded in the **trade** sector, at **1.4 per cent**.

Chart D

Major Wage Settlements by Industry
Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate

COLLECTIVE BARGAINING FORECAST – 2002

In December of each year, the Workplace Information Directorate undertakes a "forecasting" exercise to estimate the wage outcomes of collective bargaining for the coming year.

The forecast data are developed using internal and external expertise and individual forecasts are aggregated and weighted based on employee coverage for major collective agreements (more than 500 employees) likely to be settled in 2002.

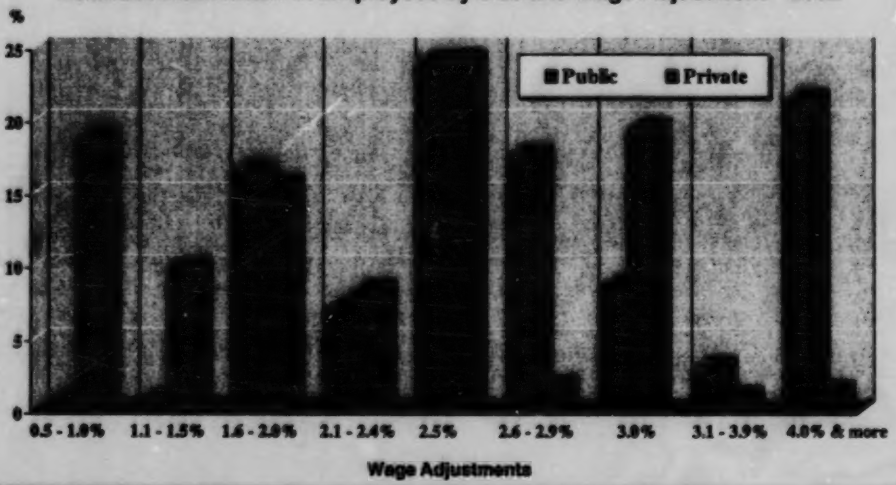
Highlights of 2002 Forecast

Overall wage adjustment	2.7%	Number of major agreements to settle	405
• Private sector	2.1%	Number of employees covered	912,390
• Public sector	2.9%	Projected Consumer Price Index	2.0%

Forecast Average Increases by Industry Group

Primary Industries	4.1%	Finance, Real Estate and Management Services	2.5%
Utilities	3.1%	Education, Health and Social Services	3.2%
Construction	3.0%	Entertainment and Hospitality	2.0%
Manufacturing	2.2%	Public Administration	2.5%
Wholesale and Retail Trade	1.4%		
Transportation	2.0%		
Information and Culture	2.6%		
		All Industries	**2.7%**

Forecast Distribution of Employees by Size and Wage Adjustment – 2002



Source: Workplace Information Directorate

Other Forecasts

Organizations	*Forecast Average Increases*	
Hewitt & Associates*	Unionized 2.9%	- -
Aon Consulting*	Unionized 2.4% to 2.6%	Regional Rates 2.5% to 3.6%
Institut de la statistique Québec*	Unionized 2.5%	
Morneau Sobeco*	Unionized 2.9%	Management 3.7%
Hay Group*	On average 2.3% to 2.7%	Trades Workers 2.8%
Mercer Consulting Group*	Non-unionized 2.2% to 2.7%	- -
Towers Perrin*	Salaried Employees 3.4%	Professionals and Management 3.5%
Watson Wyatt Worldwide*	Hourly workers 3.0%	Middle Management 3.5%
The Conference Board of Canada	Public Sector 3.5%	Private Sector 2.2% to 2.5%

* *Analyses and data from the following organizations: Hewitt & Associates, AON Consulting, Hay Group, Mercer Consulting Group, Towers Perrin and Watson Wyatt Worldwide are taken from file called Les prévisions salariales 2002, où en est-on exactement? published by l'Ordre des conseillers en ressources humaines et en relations industrielles agréés du Québec (www.portail-rhi.com), December 7, 2001.*

Calendars of Collective Agreements Expiries and Reopeners

Coming soon, the 2002 Calendar listings for
MAJOR and SMALL Bargaining Units

2001 Calendar of Major Bargaining Units is available on the Workplace Information Directorate Web site at

http://labour.hrdc-drhc.gc.ca/doc/wid-dimt/eng/expreo.cfm

MAJOR SETTLEMENTS REACHED IN THE THIRD QUARTER 2001

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Primary Industries (1 agreement)	**670**	**2.4**	**2.0**	**60.0**	
Fording Coal Limited, mine employees, Fording River, B.C.	670	2.4	2.0	60	2006-04-30
Utilities (2 agreements)	**1,300**	**2.4**	**1.7**	**29.9**	
B.C. Gas Utility Ltd., office and clerical employees, province-wide, B.C.	660	1.8	0.0	24	2002-03-31
SaskPower, administrative services employees, province-wide, Sask.	640	3.0	3.5	36	2004-01-31
Construction (16 agreements)	**92,810**	**3.3**	**3.4**	**34.5**	
Alberta Construction Labour Relations Association, labourers, province-wide, Alta.	3,200	5.6	6.2	24	2003-04-30
Alberta Construction Labour Relations Association, operating engineers, province-wide, Alta.	600	5.6	6.2	24	2003-04-30
Alberta Construction Labour Relations Association, plumbers and pipefitters, province-wide, Alta.	4,000	6.6	6.8	24	2003-04-30
Association de la construction du Québec, construction trades-all, province-wide, Que.	31,720	3.0	3.0	36	2004-04-25
Association de la construction du Québec, construction trades-all, province-wide, Que.	13,990	3.0	3.0	36	2004-04-25
Association des constructeurs de routes et grands travaux du Québec, construction trades-all, province-wide, Que.	8,480	3.4	4.3	36	2004-04-25
Association of Millwrighting Contractors of Ontario Inc., millwrights, province-wide, Ont.	1,700	2.6	2.6	36	2004-04-30
Association of Provincial Housing Contractors of Quebec, construction trades-all, province-wide, Que.	11,070	2.0	2.0	36	2004-04-25
Boilermaker Contractors' Association, boilermakers, Canada-wide (excl. Que., B.C. and Y.T)	4,500	2.6	2.8	36	2004-06-30
Construction Labour Relations Association of Manitoba, electricians, province-wide, Man.	600	1.2	-0.4	36	2004-04-30
Electrical Contractors Association of Alberta, electricians, province-wide, Alta.	3,500	6.7	6.9	24	2003-04-30
Greater Toronto Sewer and Watermain Contractors Association, heavy equipment operators, Toronto, Ont.	750	3.5	4.2	36	2004-04-30
Greater Toronto Sewer and Watermain Contractors Association, labourers, Toronto, Ont.	1,000	3.7	4.5	36	2004-04-30
Masonry Industry Employers Council of Ontario, bricklayers, province-wide, Ont.	3,500	2.7	2.7	36	2004-04-30
National Elevator and Escalator Association, elevator constructors, province-wide, Ont.	1,200	2.8	2.8	36	2004-04-30
Operating Engineers Employer Bargaining Agency, operating engineers, province-wide, Ont.	3,000	2.9	3.7	36	2004-04-30
Manufacturing (6 agreements)	**5,520**	**3.2**	**3.1**	**45.0**	
CAMI Automotive Inc., plant and maintenance employees, Ingersoll, Ont.	2,040	4.4*	3.8	36	2004-09-19
CORUS, plant and maintenance employees, Cap-de-la-Madeleine, Que.	600	0.5	0.0	24	2004-01-31

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* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Manufacturing (continued)					
Cargill Foods, Division of Cargill Foods Limited, production employees, Etobicoke, Ont.	780	2.8	3.8	72	2007-09-23
Christie Brown and Co., Division of Nabisco Ltd., production employees, Toronto, Ont.	600	2.5	2.0	48	2005-04-30
QIT-Fer et Titane inc., plant and maintenance employees, Sorel, Que.	900	2.4*	2.7	60	2008-04-29
Siemens Canada Limited Automotive Systems (NAMO), plant and maintenance employees, London, Ont.	600	4.4*	4.8	36	2004-07-15
Wholesale and Retail Trade (1 agreement)	**700**	**1.4**	**1.3**	**48.0**	
Great Atlantic and Pacific Company of Canada Limited, retail employees, Northern, Ont.	700	1.4	1.3	48	2005-07-07
Transportation (6 agreements)	**7,310**	**3.0**	**3.3**	**37.8**	
CANPAR Transport Ltd., truck drivers, system-wide	1,300	3.0	3.0	36	2004-10-31
Canadian Freightways Limited, truck drivers, province-wide	570	1.8	1.5	48	2004-12-31
Coast Mountain Bus Company, bus drivers, Vancouver, B.C.	3,360	2.8	2.5	36	2004-03-31
Globeground North America, Vancouver Airport, hourly-rated employees, Vancouver International Airport, B.C.	650	3.3	8.3	44	2004-08-31
Via Rail Canada Inc., non-operating employees, system-wide	890	4.3	4.5	36	2003-12-31
Via Rail Canada Inc., sleeping, dining and parlour car employees, system-wide	540	3.4	3.5	36	2003-12-31
Information and Culture (1 agreement)	**1,120**	**4.2**	**4.2**	**12.0**	
TELUS Communications (Québec) Inc., tradesmen, province-wide, Que.	1,120	4.2	4.2	12	2001-12-31
Finance, Real Estate and Management Services (3 agreements)	**2,750**	**3.1**	**3.8**	**33.9**	
Inner-Tec Security Consultants Limited, security guards, Winnipeg, Man.	500	4.5	6.2	24	2003-06-30
Saskatchewan Government Insurance, office and clerical employees, Regina, Sask.	1,420	3.0	3.5	36	2003-12-31
Securitas Canada Limited, security guards, Southwestern, Ont.	830	2.3	2.9	36	2004-05-31
Education, Health and Social Services (30 agreements)	**77,820**	**3.9**	**4.8**	**31.6**	
Board of Governors of Ryerson Polytechnic University, office and clerical employees, Toronto, Ont.	530	1.8	1.5	36	2004-06-30
Board of School Trustees of School District No. 39, office and clerical employees, Vancouver, B.C.	1,240	0.9	2.0	30	2003-06-30
Calgary Roman Catholic Separate School District No. 1, elementary and secondary teachers, Calgary, Alta.	2,640	3.4	3.4	12	2001-08-31
Capital District Health Authority, health and social care professionals, province-wide, N.S.	2,800	2.5	3.5	36	2003-10-31
Capital District Health Authority, nurses, province-wide, N.S.	2,100	5.7	7.0	36	2003-10-31
Durham Catholic District School Board, elementary teachers, Oshawa, Ont.	1,030	2.3	2.0	24	2002-08-31
Government of Prince Edward Island, elementary and secondary teachers, province-wide, P.E.I.	1,500	3.2	3.3	36	2004-06-30
Government of Saskatchewan, non-medical employees, province-wide, Sask.	620	3.0	3.0	36	2003-09-30

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* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
Governors of the University of Calgary, instructors/tutors/lecturers, Calgary, Alta.	1,720	4.1	4.1	12	2002-06-30
Hamilton-Wentworth Catholic District School Board, secondary teachers, Hamilton, Ont.	670	2.8	3.0	24	2003-08-31
Hamilton-Wentworth District School Board, secondary teachers, Hamilton, Ont.	1,200	2.5	2.5	12	2002-08-31
Health and Community Services Agency and Regional Health Authorities, non-medical employees, province-wide, P.E.I.	800	3.1	3.0	36	2004-03-31
Health Employers Association of British Columbia, nurses, province-wide, B.C.	26,000	5.6*	7.2	36	2004-03-31
Health Employers Association of British Columbia, para-medical professional employees, province-wide, B.C.	10,800	2.0*	2.0	36	2004-03-31
Lambton-Kent District School Board, elementary teachers, Sarnia, Ont.	900	2.1	2.4	36	2004-08-31
Leisureworld Inc., non-medical employees, Toronto, Ont.	680	3.2	2.0	24	2000-12-31
McMaster University, support employees, Hamilton, Ont.	1,650	5.4	8.4	24	2003-06-15
Nova Scotia Association of Health Organizations, nurses, province-wide, N.S.	3,940	5.7	7.0	36	2003-10-31
Ontario Council of Regents for Colleges of Applied Arts and Technology, academic staff, province-wide, Ont.	6,500	3.0	3.0	24	2003-08-31
Regional Health Authorities of Prince Edward Island, health and social care professionals, province-wide, P.E.I.	1,300	3.0	2.5	36	2003-03-31
Regional Municipality of Durham, service and maintenance employees, Whitby, Ont.	730	3.0	3.0	36	2004-03-31
Toronto Catholic District School Board, educational services, Toronto, Ont.	780	2.0	2.0	12	[illegible]001-08-31
Toronto District School Board, professionals employees, Toronto, Ont.	500	2.5	1.9	24	[illegible]02-08-31
Université du Québec à Hull, teaching assistants, Hull, Que.	560	4.5	-0.0	48	2003-05-31
University of British Columbia, professors, Vancouver, B.C.	1,900	2.0	2.0	36	2004-06-30
Versa-Care Limited, non-medical employees, Sarnia, Ont.	650	2.9	2.5	36	2003-12-31
Windsor-Essex Catholic District School Board, elementary teachers, Windsor, Ont.	1,000	3.0	3.0	12	2002-08-31
York Region District School Board, office and clerical employees, Aurora, Ont.	1,130	2.9	3.4	24	2003-08-31
York Region District School Board, service and maintenance employees, Aurora, Ont.	600	2.7	3.1	24	2003/08/31
York University, professors, Toronto, Ont.	1,150	2.3	2.0	24	2003/04/30
Entertainment and Hospitality (1 agreement)	**800**	**2.7**	**3.0**	**36.0**	
Pacific National Exhibition, service and maintenance employees, Vancouver, B.C.	800	2.7	3.0	36	2003/12/31
Public Administration (19 agreements)	**39,460**	**3.0**	**2.9**	**28.5**	
Canada Customs and Revenue Agency, computer operators, Canada-wide	2,940	4.4	2.5	24	2002-04-30
City of Calgary, outside employees, Calgary, Alta.	3,040	3.5	3.5	24	2002-12-31
City of Calgary, police officers, Calgary, Alta.	1,300	3.7	3.5	24	2001-12-31
City of London, outside employees, London, Ont.	700	3.0	3.0	36	2003-12-31
City of Montréal, administrative services employees, Montréal, Que.	510	2.0	2.0	9	2001-12-31

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* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Public Administration (continued)					
City of Montréal, firefighters, Montréal, Que.	1,570	0.0	0.0	12	2001-12-31
City of Montréal, inside employees, Montréal, Que.	3,060	2.0	2.0	10	2001-12-31
City of Montréal, outside employees, Montréal, Que.	4,360	2.0	2.0	8	2001-12-31
City of Saskatoon, inside employees, Saskatoon, Sask.	1,380	3.0	3.0	36	2003-12-31
City of Vancouver, firefighters, Vancouver, B.C.	820	2.9	2.9	36	2002-12-31
City of Winnipeg, administrative services employees, Winnipeg, Man.	670	2.4*	2.3	36	2003-10-11
Government of Newfoundland and Labrador, general services employees, province-wide, Nfld.	3,560	5.0	5.0	36	2004-03-31
Government of Newfoundland and Labrador, service and maintenance employees, province-wide, Nfld.	1,380	5.0	5.0	36	2004-03-31
Government of Quebec, engineers, province-wide, Que.	1,020	3.5	1.5	48	2002/06-30
Government of Saskatchewan, inside and outside employees, province-wide, Sask.	9,860	2.7	3.0	36	2003-09-30
Halifax Regional Municipality, outside employees, Halifax, N.S.	530	2.3	3.0	48	2004-10-31
Ottawa Police Services Board, police officers, Ottawa, Ont.	960	2.9	2.6	48	2003-12-31
Regional Municipality of Durham, inside employees, Whitby, Ont.	980	3.0	3.0	36	2004-03-31
Regional Municipality of Durham Police Services Board, police officers, Oshawa, Ont.	780	3.0	4.3	54	2003-12-31
Agreements with COLA (6 agreements)	41,010	4.4*	5.5	36.5	
Agreements without COLA (80 agreements)	189,050	3.2	3.3	32.0	
All Agreements (86 agreements)	230,060	3.4	3.7	32.8	

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* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Source: Workplace Information Directorate

A list of settlements of small bargaining units (less than 500 employees) is available on the Workplace Information Directorate Web site:

http://labour.hrdc-drhc.gc.ca/doc/wid-dimt/eng

*The **Collective Bargaining Bulletin**, a monthly publication, contains a list of formal and up-to-date summaries of the major settlements shown above.*

Copies of these settlement summaries, available in English and French, can now be obtained by visiting NEGOTECH at <http://206.191.16.138/gol/>. These summaries are also available from the Workplace Information Directorate at 1-800-567-6866 or Client Services at (819) 997-3117
or E-Mail: wid-imt@hrdc-drhc.gc.ca
or Web Site: http://labour.hrdc-drhc.gc.ca

Table 1

Major Wage Settlements, by Public and Private Sectors, by Year and Quarter

	Public Sector				Private Sector				All Sectors			
	Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)	Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)	Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)
Year												
1981	290	16.9	577.6	13.1	210	27.3	323.4	12.6	500	21.9	901.0	13.0
1982	319	14.5	865.1	10.4	189	25.2	282.2	9.5	508	17.2	1,147.3	10.2
1983	458	19.6	1,241.6	4.6	200	25.0	302.8	5.5	658	20.6	1,544.3	4.8
1984	276	17.0	835.2	3.9	283	26.1	321.0	3.2	559	21.1	1,156.2	3.6
1985	316	21.7	566.8	3.8	200	30.1	271.8	3.3	516	24.5	838.6	3.7
1986	321	25.3	709.2	3.6	232	26.0	412.2	3.0	553	25.8	1,121.5	3.4
1987	270	29.4	824.3	4.1	208	31.4	287.0	3.8	478	29.9	1,111.3	4.0
1988	301	24.0	698.6	4.0	241	27.2	484.1	5.0	542	25.3	1,182.7	4.4
1989	294	30.0	736.0	5.2	159	26.8	265.8	5.2	453	29.0	1,001.8	5.2
1990	283	27.4	677.9	5.6	224	29.7	468.5	5.7	507	28.4	1,146.4	5.6
1991	365	16.0	1,121.7	3.4	182	29.2	224.0	4.4	547	18.2	1,345.6	3.6
1992	301	21.7	975.9	2.0	195	32.2	330.9	2.6	496	24.3	1,306.8	2.1
1993	347	23.4	1,012.0	0.6	171	25.2	400.5	0.8	518	23.9	1,412.5	0.7
1994	299	26.5	719.9	-0.0	135	34.5	222.9	1.2	434	28.4	942.8	0.3
1995	215	31.4	629.6	0.6	186	33.9	278.4	1.4	401	32.6	908.0	0.9
1996	212	31.7	564.3	0.5	166	34.7	246.1	1.7	378	32.6	810.4	0.9
1997	220	30.3	370.3	1.1	159	38.1	321.9	1.8	379	33.9	692.2	1.5
1998	221	31.1	646.3	1.6	182	34.4	274.2	1.6	403	32.1	920.5	1.7
1999	217	36.0	506.4	1.9	159	38.4	315.3	2.7	376	36.3	821.8	2.2
2000	296	33.6	913.5	2.5	100	42.6	161.6	2.3	396	35.0	1,075.2	2.5
2001 *	194	29.9	463.2	3.3	115	35.5	245.8	3.0	309	31.8	709.0	3.2
* Year to Date												
Quarter												
1998 I	45	36.4	97.0	2.1	23	33.6	38.3	2.3	68	35.6	135.3	2.1
II	56	32.0	157.5	1.7	71	27.9	111.1	1.7	127	30.3	268.6	1.7
III	52	33.2	186.5	1.2	54	40.9	85.9	1.6	106	35.6	272.4	1.4
IV	68	25.9	205.3	1.7	34	30.9	38.9	2.0	102	26.1	244.2	1.7
1999 I	78	32.5	182.2	1.3	30	38.1	65.7	2.2	108	33.8	247.9	1.5
II	71	37.4	205.0	2.4	54	40.6	64.0	2.5	125	38.2	268.9	2.4
III	33	36.9	50.0	2.3	43	37.5	128.2	2.4	76	37.3	178.2	2.4
IV	35	33.4	59.3	2.1	32	39.3	67.5	3.6	67	36.0	126.7	3.0
2000 I	123	30.3	497.4	2.3	29	31.5	38.6	2.9	152	30.3	536.0	2.4
II	57	21.4	208.6	2.5	29	41.1	34.3	2.5	86	24.2	242.9	2.5
III	41	33.5	77.4	2.6	20	52.2	58.8	1.9	61	41.6	136.2	2.3
IV	75	29.1	130.2	3.0	22	41.0	29.9	2.2	97	31.3	160.1	2.9
2001 I	55	29.3	140.7	3.6	20	35.9	34.1	2.4	75	30.6	174.7	3.5
II	85	29.5	198.7	2.9	63	35.6	105.6	2.9	148	31.8	304.2	2.9
III	54	30.6	123.9	3.6	32	35.2	106.1	3.2	86	32.8	230.1	3.4
IV	-	-	-	-	-	-	-	-	-	-	-	-

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment

Table 2

Effective Wage Adjustment in Base Rates, by Region/Jurisdiction, by Year and Quarter

	1998	1999	2000	2000 - 2001			
				4	1	2	3
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
All Sectors							
CANADA	1.7	2.2	2.5	2.9	3.5	2.9	3.4
Atlantic	2.1	2.0	2.6	3.9	3.7	3.8	4.4
Newfoundland	1.3	1.6	3.6	6.3	-	5.0	5.0
Prince Edward Island	2.1	2.7	2.2	-	2.5	-	3.1
Nova Scotia	2.9	2.1	2.2	-	2.0	2.5	4.5
New Brunswick	1.5	2.4	2.8	3.3	4.0	2.0	-
Quebec	1.1	1.6	2.3	2.5	3.9	2.3	2.7
Ontario	1.6	2.2	2.5	2.9	2.9	3.0	3.0
Prairies	2.4	3.0	3.8	3.5	5.2	4.0	4.1
Manitoba	1.4	2.5	2.6	3.3	1.8	2.4	2.6
Saskatchewan	1.8	2.0	3.5	3.6	3.0	3.0	2.8
Alberta	3.0	4.0	4.4	3.4	5.8	4.6	5.1
British Columbia	0.8	0.8	1.6	2.2	2.9	2.1	4.1
Territories	1.0	1.9	2.9	3.2	3.2	3.0	-
Multiprovince	1.7	2.8	2.4	-	-	2.8	2.6
Total Federal	2.1	2.8	2.2	2.3	3.3	3.2	3.8
Public Sector							
CANADA	1.6	1.9	2.5	3.0	3.8	2.8	3.6
Atlantic	2.1	1.8	2.9	4.4	3.9	3.9	4.4
Newfoundland	1.3	1.3	5.3	6.3	-	5.0	5.0
Prince Edward Island	2.1	2.9	2.2	-	2.5	-	3.1
Nova Scotia	3.0	2.3	2.2	-	-	2.1	4.5
New Brunswick	1.5	3.1	3.5	3.8	4.0	2.0	-
Quebec	1.3	1.7	2.3	2.8	4.1	2.1	2.0
Ontario	1.3	1.5	2.6	3.0	3.2	3.1	3.0
Prairies	2.2	2.9	3.8	3.5	5.4	3.2	3.1
Manitoba	1.2	2.5	2.6	3.3	2.2	2.1	2.4
Saskatchewan	1.8	2.2	3.5	3.6	3.0	3.0	2.8
Alberta	2.6	3.8	4.5	3.5	5.9	3.5	3.6
British Columbia	0.7	0.7	1.4	2.2	2.9	2.1	4.2
Territories	1.0	1.9	2.9	3.2	3.2	3.0	-
Multiprovince	-	-	-	-	-	-	-
Total Federal	2.2	2.6	2.2	2.4	3.9	3.3	4.3
Private Sector							
CANADA	1.8	2.7	2.3	2.2	2.4	2.9	3.2
Atlantic	1.8	2.2	1.8	0.0	2.0	3.1	-
Newfoundland	1.9	2.3	2.4	-	-	-	-
Prince Edward Island	-	2.3	-	-	-	-	-
Nova Scotia	1.8	1.9	1.7	-	2.0	3.1	-
New Brunswick	1.7	2.3	1.4	0.0	-	-	-
Quebec	1.0	1.8	2.9	2.0	2.6	2.5	2.9
Ontario	2.1	3.5	2.2	2.3	2.4	2.7	3.0
Prairies	3.2	3.8	3.5	2.1	1.9	4.5	6.0
Manitoba	1.6	3.1	3.2	-	0.6	2.6	2.7
Saskatchewan	1.1	0.8	-	-	-	-	-
Alberta	4.5	5.0	3.8	2.1	2.7	5.3	6.3
British Columbia	1.5	1.3	2.0	2.0	-	1.4	2.5
Territories	-	-	-	-	-	-	-
Multiprovince	1.7	2.8	2.4	-	-	2.8	2.6
Total Federal	1.7	2.8	2.2	2.3	2.7	2.8	3.2

Table 3

Number of Agreements and Employees Covered, by Region/Jurisdiction, by Year and Quarter

	1998		1999		2000	
	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)
All Sectors						
CANADA	403	920.5	376	821.8	396	1,075.2
Atlantic	42	93.4	22	20.0	19	28.5
Newfoundland	7	25.4	8	9.7	4	5.0
Prince Edward Island	3	3.9	3	2.2	2	1.3
Nova Scotia	18	39.0	6	3.9	4	11.7
New Brunswick	14	25.0	5	4.3	9	10.4
Quebec	53	82.1	38	113.1	95	345.4
Ontario	143	270.1	175	316.9	147	284.4
Prairies	83	134.0	68	141.4	61	109.4
Manitoba	20	22.3	18	38.7	20	29.7
Saskatchewan	12	32.3	14	41.1	4	14.3
Alberta	51	79.4	36	61.6	37	65.4
British Columbia	35	151.8	25	71.9	33	64.4
Territories	1	2.3	2	4.6	3	5.6
Multiprovince	2	7.0	3	2.2	3	2.8
Total Federal	44	179.8	43	151.6	35	234.7
Public Sector						
CANADA	221	646.3	217	506.4	296	913.5
Atlantic	29	81.6	10	10.7	10	20.8
Newfoundland	6	22.9	4	6.6	3	2.0
Prince Edward Island	3	3.9	2	1.5	2	1.3
Nova Scotia	11	33.6	3	2.1	2	10.6
New Brunswick	9	21.1	1	0.6	3	6.7
Quebec	14	23.6	12	25.8	76	322.0
Ontario	78	167.9	115	211.8	102	210.1
Prairies	62	106.5	48	119.3	58	106.8
Manitoba	11	11.7	13	34.2	19	28.6
Saskatchewan	10	30.5	10	36.7	4	14.3
Alberta	41	64.3	25	48.5	35	63.9
British Columbia	15	133.7	13	57.6	25	38.9
Territories	1	2.3	2	4.6	3	5.6
Multiprovince	-	-	-	-	-	-
Total Federal	22	130.7	17	76.5	22	209.5
Private Sector						
CANADA	182	274.2	159	315.3	100	161.6
Atlantic	13	11.8	12	9.3	9	7.8
Newfoundland	1	2.5	4	3.1	1	3.0
Prince Edward Island	-	-	1	0.7	-	-
Nova Scotia	7	5.4	3	1.8	2	1.1
New Brunswick	5	3.9	4	3.7	6	3.7
Quebec	39	58.5	26	87.3	19	23.3
Ontario	65	102.2	60	105.1	45	74.3
Prairies	21	27.5	20	22.1	3	2.6
Manitoba	9	10.5	5	4.6	1	1.1
Saskatchewan	2	1.8	4	4.4	-	-
Alberta	10	15.1	11	13.1	2	1.5
British Columbia	20	18.2	12	14.3	8	25.5
Territories	-	-	-	-	-	-
Multiprovince	2	7.0	3	2.2	3	2.8
Total Federal	22	49.1	26	75.1	13	25.2

Table 3 (continued)

Number of Agreements and Employees Covered, by Region/Jurisdiction, by Year and Quarter

	2000 - 2001							
	4		1		2		3	
	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)
All Sectors								
CANADA	97	160.1	75	174.7	148	304.2	86	230.1
Atlantic	4	7.6	3	6.8	10	18.9	9	17.9
Newfoundland	2	1.5	-	-	4	10.5	2	4.9
Prince Edward Island	-	-	1	0.5	-	-	3	3.6
Nova Scotia	-	-	1	0.5	5	5.4	4	9.4
New Brunswick	2	6.1	1	5.8	1	3.0	-	-
Quebec	11	19.4	3	3.3	14	17.7	12	77.9
Ontario	47	62.4	35	64.9	79	137.4	32	39.8
Prairies	15	30.2	19	40.5	19	21.0	16	35.7
Manitoba	3	4.7	4	3.7	6	5.0	3	1.8
Saskatchewan	3	13.8	3	2.9	1	0.7	5	13.9
Alberta	9	11.6	12	33.9	12	15.3	8	20.0
British Columbia	10	12.6	3	36.0	9	67.6	10	46.9
Territories	1	2.5	1	0.7	1	1.3	-	-
Multiprovince	-	-	-	-	4	7.4	1	4.5
Total Federal	9	25.5	11	22.6	12	32.9	6	7.4
Public Sector								
CANADA	75	130.2	55	140.7	85	198.7	54	123.9
Atlantic	3	6.8	2	6.3	8	16.8	9	17.9
Newfoundland	2	1.5	-	-	4	10.5	2	4.9
Prince Edward Island	-	-	1	0.5	-	-	3	3.6
Nova Scotia	-	-	-	-	3	3.3	4	9.4
New Brunswick	1	5.3	1	5.8	1	3.0	-	-
Quebec	5	12.6	2	2.8	7	8.3	6	11.1
Ontario	40	54.1	26	45.1	47	74.1	20	23.1
Prairies	14	29.6	17	37.9	9	8.2	10	23.3
Manitoba	3	4.7	3	2.7	2	1.5	1	0.7
Saskatchewan	3	13.8	3	2.9	1	0.7	5	13.9
Alberta	8	11.2	11	32.3	6	6.0	4	8.7
British Columbia	9	11.1	3	36.0	6	64.8	6	44.1
Territories	1	2.5	1	0.7	1	1.3	-	-
Multiprovince	-	-	-	-	-	-	-	-
Total Federal	3	13.3	4	11.9	7	25.1	3	4.4
Private Sector								
CANADA	22	29.9	20	34.1	63	105.6	32	106.1
Atlantic	1	0.8	1	0.5	2	2.1	-	-
Newfoundland	-	-	-	-	-	-	-	-
Prince Edward Island	-	-	-	-	-	-	-	-
Nova Scotia	-	-	1	0.5	2	2.1	-	-
New Brunswick	1	0.8	-	-	-	-	-	-
Quebec	6	6.7	1	0.5	7	9.4	6	66.8
Ontario	7	8.2	9	19.8	32	63.3	12	16.7
Prairies	1	0.6	2	2.7	10	12.8	6	12.4
Manitoba	-	-	1	1.0	4	3.6	2	1.1
Saskatchewan	-	-	-	-	-	-	-	-
Alberta	1	0.6	1	1.7	6	9.3	4	11.3
British Columbia	1	1.5	-	-	3	2.8	4	2.8
Territories	-	-	-	-	-	-	-	-
Multiprovince	-	-	-	-	4	7.4	1	4.5
Total Federal	6	12.2	7	10.6	5	7.8	3	3.0

Table 4

Effective Wage Adjustment in Base Rates, by Major Industry Division, with and without COLA, by Year and Quarter

	Non-COLA Agreements				COLA Agreements				All Agreements			
	Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)	Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)	Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)
Primary Industries												
1998	2	36.0	1.8	1.1	-	-	-	-	2	36.0	1.8	1.1
1999	4	47.8	2.9	1.8	4	45.2	3.8	2.5	8	46.3	6.7	2.2
2000	-	-	-	-	3	36.0	4.9	1.6	3	36.0	4.9	1.6
2000 IV	-	-	-	-	1	36.0	0.7	2.3	1	36.0	0.7	2.3
2001 I	-	-	-	-	1	42.0	1.3	2.1	1	42.0	1.3	2.1
II	1	36.0	1.4	4.2	1	48.0	1.8	1.8	2	42.7	3.2	2.9
III	1	60.0	0.7	2.4	-	-	-	-	1	60.0	0.7	2.4
Utilities												
1998	9	26.6	21.6	2.4	1	36.0	0.5	2.1	10	26.9	22.1	2.4
1999	14	50.8	30.1	1.8	2	24.0	1.6	2.4	16	49.5	31.7	1.8
2000	14	25.8	25.5	3.2	-	-	-	-	14	25.8	25.5	3.2
2000 IV	3	29.5	4.1	2.7	-	-	-	-	3	29.5	4.1	2.7
2001 I	2	16.6	4.9	3.0	2	24.0	1.4	2.3	4	19.8	6.3	2.8
II	3	34.2	3.7	2.0	-	-	-	-	3	34.2	3.7	2.0
III	2	29.9	1.3	2.4	-	-	-	-	2	29.9	1.3	2.4
Construction												
1998	46	34.1	94.6	2.4	3	48.0	2.2	3.1	49	34.4	96.8	2.4
1999	21	36.1	97.8	2.0	-	-	-	-	21	36.1	97.8	2.0
2000	7	25.2	8.9	3.6	1	48.0	0.5	2.7	8	28.4	9.4	3.6
2000 IV	-	-	-	-	-	-	-	-	-	-	-	-
2001 I	1	36.0	13.0	2.5	-	-	-	-	1	36.0	13.0	2.5
II	29	34.8	68.2	3.2	-	-	-	-	29	34.8	68.2	3.2
III	16	34.5	92.8	3.3	-	-	-	-	16	34.5	92.8	3.3
Manufacturing												
1998	47	30.1	61.2	0.9	25	36.2	23.3	3.1	72	32.3	84.6	1.5
1999	43	52.6	30.8	1.8	31	35.5	72.8	4.3	74	40.5	103.6	3.5
2000	35	35.0	46.9	2.1	17	37.4	21.7	3.3	52	35.7	68.5	2.5
2000 IV	8	36.4	8.0	1.4	1	36.0	0.5	3.4	9	36.4	8.5	1.5
2001 I	5	39.4	5.0	1.7	3	30.1	2.0	2.3	8	36.7	7.0	1.8
II	6	40.6	5.7	2.6	13	36.6	10.5	2.8	19	38.0	16.2	2.7
III	3	50.2	2.0	2.0	3	42.1	3.5	3.9	6	45.0	5.5	3.2
Wholesale and Retail Trade												
1998	13	39.6	18.1	1.8	-	-	-	-	13	39.6	18.1	1.8
1999	10	32.6	11.8	1.6	1	36.0	5.2	0.6	11	33.7	17.0	1.3
2000	12	54.3	33.0	1.9	2	71.4	10.6	1.0	14	58.4	43.6	1.7
2000 IV	5	42.8	4.7	2.2	1	70.0	3.0	1.0	6	53.4	7.7	1.7
2001 I	1	36.0	0.7	2.9	-	-	-	-	1	36.0	0.7	2.9
II	2	30.9	1.8	2.0	-	-	-	-	2	30.9	1.8	2.0
III	1	48.0	0.7	1.4	-	-	-	-	1	48.0	0.7	1.4
Transportation												
1998	22	35.3	36.4	2.1	2	41.3	3.5	1.9	24	35.9	39.9	2.1
1999	19	37.9	47.2	2.9	4	43.0	12.8	2.3	23	39.0	60.0	2.8
2000	14	39.0	41.1	2.7	5	34.3	53.6	2.2	19	38.3	94.7	2.4
2000 IV	4	29.5	10.8	2.4	1	48.0	0.5	2.3	5	30.4	11.3	2.4
2001 I	7	36.3	10.5	2.7	1	36.0	1.1	2.1	8	36.2	11.7	2.7
II	6	29.3	9.9	2.9	2	60.1	3.8	2.7	8	35.0	13.6	2.9
III	6	37.6	7.3	3.0	-	-	-	-	6	37.6	7.3	3.0

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment

Table 4 (continued)

Effective Wage Adjustment in Base Rates, by Major Industry Division, with and without COLA, by Year and Quarter

		Non-COLA Agreements				COLA Agreements				All Agreements			
		Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)	Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)	Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)
Information and Culture													
1998		11	40.9	23.3	1.1	1	48.0	1.1	2.4	12	41.2	24.4	1.1
1999		14	32.6	34.8	2.5	4	56.7	11.2	2.4	18	36.5	46.0	2.5
2000		8	39.4	10.3	2.9	-	-	-	-	8	39.4	10.3	2.9
2000	IV	5	40.7	6.3	3.2	-	-	-	-	5	40.7	6.3	3.2
2001	I	1	36.0	3.6	3.7	-	-	-	-	1	36.0	3.6	3.7
	II	2	39.1	1.2	3.1	-	-	-	-	2	39.1	1.2	3.1
	III	1	12.0	1.1	4.2	-	-	-	-	1	12.0	1.1	4.2
Finance, Real Estate and Management Services													
1998		11	23.9	21.3	0.7	2	50.4	1.3	2.6	13	25.5	22.7	0.8
1999		4	34.5	2.9	2.8	-	-	-	-	4	34.5	2.9	2.8
2000		7	35.4	12.0	1.7	1	36.0	1.1	2.8	8	35.4	13.1	1.8
2000	IV	-	-	-	-	-	-	-	-	-	-	-	-
2001	I	2	24.0	1.3	2.9	-	-	-	-	2	24.0	1.3	2.9
	II	6	40.4	9.0	2.0	-	-	-	-	6	40.4	9.0	2.0
	III	3	33.8	2.8	3.1	-	-	-	-	3	33.8	2.8	3.1
Education, Health and Social Services													
1998		133	32.9	350.8	1.4	2	28.1	1.1	0.8	135	32.9	351.9	1.4
1999		138	36.5	297.7	1.8	-	-	-	-	138	36.5	297.7	1.8
2000		192	38.3	497.7	2.6	2	31.7	1.4	3.6	194	38.2	499.1	2.6
2000	IV	49	28.1	80.4	3.3	1	36.0	0.9	4.7	50	28.2	81.3	3.3
2001	I	40	25.9	81.6	4.4	1	60.0	3.5	2.1	41	27.3	85.1	4.3
	II	57	22.6	86.1	3.3	2	36.0	61.0	2.1	59	28.2	147.1	2.8
	III	28	27.6	40.8	3.3	2	36.0	36.8	4.5	30	31.6	77.6	3.9
Entertainment and Hospitality													
1998		10	38.2	9.9	3.5	1	36.0	0.6	1.8	11	38.1	10.5	3.4
1999		14	33.6	13.3	2.6	-	-	-	-	14	33.6	13.3	2.6
2000		6	46.2	7.7	3.0	-	-	-	-	6	46.2	7.7	3.0
2000	IV	2	50.5	3.1	3.8	-	-	-	-	2	50.5	3.1	3.8
2001	I	1	36.0	0.6	3.0	-	-	-	-	1	36.0	0.6	3.0
	II	2	36.0	5.0	4.3	-	-	-	-	2	36.0	5.0	4.3
	III	1	36.0	0.8	2.7	-	-	-	-	1	36.0	0.8	2.7
Public Administration													
1998		62	28.6	247.8	1.8	-	-	-	-	62	28.6	247.8	1.8
1999		47	28.6	143.2	2.2	2	36.0	1.8	2.1	49	28.6	145.0	2.2
2000		69	25.9	293.2	2.3	1	36.0	5.3	2.4	70	26.1	298.5	2.3
2000	IV	16	33.9	37.1	2.5	-	-	-	-	16	33.9	37.1	2.5
2001	I	5	27.9	11.3	3.6	2	35.7	32.9	3.0	7	33.7	44.2	3.1
	II	14	32.8	33.2	3.0	2	36.0	2.1	2.4	16	33.0	35.3	3.0
	III	18	28.4	38.8	3.0	1	36.0	0.7	2.4	19	28.5	39.5	3.0

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment

Table 5

Effective Adjustment in Base Rates, Number of Agreements and Employees Covered, by Year and Quarter

	1998	1999	2000	2000 - 2001			
				4	1	2	3
All Industries							
Wage Adjustment (%)	1.7	2.2	2.5	2.9	3.5	2.9	3.4
Number of Agreements	403	376	396	97	75	148	86
Number of Employees (000's)	920.5	821.8	1,075.2	160.1	174.7	304.2	230.1
Private Sector							
Wage Adjustment (%)	1.8	2.7	2.3	2.2	2.4	2.9	3.2
Number of Agreements	182	159	100	22	20	63	32
Number of Employees (000's)	274.2	315.3	161.6	29.9	34.1	105.6	106.1
Public Sector							
Wage Adjustment (%)	1.6	1.9	2.5	3.0	3.8	2.8	3.6
Number of Agreements	221	217	296	75	55	85	54
Number of Employees (000's)	646.3	506.4	913.5	130.2	140.7	198.7	123.9
Federal Administration							
Wage Adjustment (%)	2.2	2.9	2.1	2.4	4.0	3.4	4.4
Number of Agreements	16	10	18	3	2	5	1
Number of Employees (000's)	124.2	53.2	154.8	13.3	7.6	21.3	2.9
Federal Crown Corporations							
Wage Adjustment (%)	2.2	2.4	2.2	-	-	3.2	4.0
Number of Agreements	7	6	3	-	-	3	2
Number of Employees (000's)	8.3	19.8	46.6	-	-	5.4	1.4
Provincial Administration							
Wage Adjustment (%)	1.7	1.6	2.6	2.8	2.9	2.9	3.4
Number of Agreements	30	21	37	6	4	9	5
Number of Employees (000's)	112.2	73.9	114.4	11.1	36.8	15.0	17.2
Local Administration							
Wage Adjustment (%)	1.5	2.3	2.5	2.5	2.7	2.5	2.5
Number of Agreements	32	34	33	13	4	6	15
Number of Employees (000's)	48.3	44.2	69.2	20.0	5.0	6.2	24.1
Education, Health and Welfare							
Wage Adjustment (%)	1.4	1.6	2.6	3.3	4.4	2.8	3.9
Number of Agreements	134	136	193	51	39	60	30
Number of Employees (000's)	351.3	292.0	497.1	82.4	80.7	147.6	77.6
Public Utilities							
Wage Adjustment (%)	1.4	2.1	3.4	2.8	3.2	2.4	3.0
Number of Agreements	2	10	12	2	6	2	1
Number of Employees (000's)	2.1	23.3	31.4	3.3	10.6	3.1	0.6

Table 6

Selected Economic Indicators, by Year and Quarter

	1998	1999	2000	2000 - 2001			
				4	1	2	3
Wage Settlements (%)	1.7	2.2	2.5	2.9	3.5	2.9	3.4
Public Sector (%)	1.6	1.9	2.5	3.0	3.6	2.8	3.6
Private Sector (%)	1.8	2.7	2.3	2.2	2.4	2.9	3.2
Agreements in Force (%)	1.7	1.9	2.3	2.4	2.5	2.4	2.4
Public Sector (%)	1.4	1.7	2.2	2.4	2.4	2.5	2.4
Private Sector (%)	2.3	2.1	2.4	2.4	2.6	2.4	2.5
Consumer Price Index							
Per Cent Change[1]	0.9	1.7	2.7	3.1	2.8	3.6	2.7
GDP[2] at Factor Cost[3]							
Per Cent Change[1]	3.1	4.8	4.5	3.8	1.9	1.6	-3.5
Labour Productivity Growth (%)	0.7	2.2	1.8	1.2	0.8	0.6	-0.3
Unit Labour Cost (%)	1.4	0.8	2.3	2.7	3.2	1.5	2.5
Unemployment Rate[3] (%)	8.3	7.6	6.8	6.9	7.0	7.0	7.1
Employment (000's)[3]	14,140	14,531	14,910	15,028	15,062	15,101	15,063
Per Cent Change[1]	2.7	2.8	2.6	2.3	1.6	1.4	1.0
Average Weekly Earnings[3]	$ 632.09	$ 638.67	$ 653.50	$ 657.82	$ 660.78	$ 660.79	$ 667.63
Per Cent Change[1]	1.4	1	2.3	2.3	2.0	1.4	1.7
Average Hourly Earnings	$ 15.81	$ 16.07	$ 16.52	$ 16.47	$ 16.64	$ 16.71	$ 16.87
Per Cent Change[1]	1.5	1.6	2.8	1.5	0.1	0.9	2.8

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[1] Per cent change from the same period of the previous year

[2] GDP – Gross domestic product at factor cost (1992) prices

[3] Seasonally adjusted data

Source: Workplace Information Directorate and Statistics Canada

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified workers in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all workers in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated cost-of-living allowance (COLA) payments. Estimates of the yield of COLA clauses are obtained by quantifying the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration. In succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an **inflation projection of 2.0 per cent** has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities".

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion.*

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government
Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

(a) provincial and territorial government administration;

(b) health, education and social services agencies or institutions:
- (i) public hospitals,
- (ii) provincial residential care facilities,
- (iii) universities,
- (iv) colleges, vocational and trade institutions,
- (v) social services business enterprise,
- (vi) provincial elementary and secondary schools.

(3) Local Government Administration

(a) local government organizations such as: municipalities, boards, commissions;

(b) school boards;

(c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree of governmental control, as follows:

(1) Direct Control
A commercial enterprise is directly controlled by a government if one of the following conditions is met:

(a) a government holds more than 50 per cent of its voting equity, directly;

(b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control
A commercial enterprise is effectively controlled by a government if one of the following conditions is met:

(a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
- (i) the holding is the largest block of voting equity; and
- (ii) the holding exceeds 33.3 per cent of the voting equity; and
- (iii) the block is larger than the combined percentage of the next two largest blocks;

(b) the commercial enterprise declares that it is effectively controlled by a government;

(c) there exists a method or variety of methods (e.g., significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control
A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

SELECTED PROVISIONS IN CURRENT COLLECTIVE AGREEMENTS

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Introduction

The following article provides an overview of provisions related to both employer and employee rights found in current collective agreements available from the Workplace Information Directorate. These examples are taken from collective agreements based on a stratified sample and are presented according to size of bargaining unit; that is, small bargaining units (100 to 499 employees), medium-sized bargaining units (500 to 1,999 employees) and large bargaining units (2,000 employees or more). Selected provisions dealing with employer rights include the right to administer drug and alcohol tests, intelligence and aptitude tests, lie detector tests, as well as electronic surveillance and Internet/telephone monitoring. Examples of provisions dealing with employee rights encompass older worker provisions, substance abuse assistance programs, health and recreation services and other assistance programs.

Employer Rights

1. Drug and Alcohol Testing

Some examples were found in each of the small, medium and large bargaining units, all in the manufacturing sector. Drug and alcohol testing is either limited, permitted or prohibited.

Examples

The collective agreement between la Compagnie Kenworth du Canada and the Canadian Autoworkers, provides that, upon reasonable doubt or in the event of an industrial accident, employees could be obliged to submit to drug and alcohol testing. An employee who tests positive is automatically suspended until completion of a medical treatment for drug and alcohol abuse. Upon completion of such a treatment, the employee is reintegrated without loss of seniority and is required to undergo random drug and alcohol tests for a period of 12 months following the return to work.

The agreement between Lear Corporation Canada Ltd. and the Canadian Autoworkers, stipulates that the Company will not introduce drug testing into the workplace prior to any introduction of such legislation in Canada.

2. Intelligence and Aptitude Tests

Examples of this provision were found in numerous industry sectors but more commonly in small and medium-sized bargaining units in the manufacturing sector. Furthermore, the majority of examples retrieved stipulate the right to administer such tests.

Examples

In the agreement between Spruce Falls Inc. and the Joint Union Coalition, a provision stipulates that all new employees must write the General Aptitude Test Battery as a condition of employment.

In the agreement between Culinar Inc. and the Bakery, Confectionery and Tobacco Workers International Union, Local 480, a provision stipulates that, with the exception of specialized jobs specifically mentioned in the agreement, no writing, reading or numerical tests will be administered to employees who currently hold a position requiring similar abilities prior to beginning a trial period in the new job.

3. Lie Detector Tests

Examples of this type of provision were in collective agreements within the Wholesale and Retail Trade as well as the Entertainment and Hospitality industries. In most cases, administering of lie detector tests is prohibited.

Examples

The agreement between the Windsor Casino and the Canadian Autoworkers, provides that prior to the introduction of such legislation in Canada, the employer will not introduce lie detector tests in the workplace.

Employees of New Dominon Stores represented by the Retail, Wholesale Canada, Canadian Service Sector Division of the United Steelworkers of America, Local 414, will not be required to take a stress test or a lie detector test except on a voluntary basis.

4. *Electronic Surveillance*

In this instance a number of examples were found in the manufacturing sector. The majority of examples found permit such surveillance while it is limited or prohibited in a few other cases.

Examples

In the collective agreement between Overwaitea Foods and Save-On Foods (British Columbia Stores) and the United Food and Commercial Workers International Union, Local 1518, electronic surveillance is permitted. It is further mentionned that video surveillance has become a valuable resource for the protection of the employer's assets and in ensuring the safety of the employees and that it has proven to be a major deterrent against thefts and robberies. Within the confines of the law, the employer may use video cameras in almost any part of the store.

Electronic surveillance is also permitted in the agreement between La Presse and the Office and Professional Employees International Union, Local 57. It is stated that the purpose of the installation of an electronic access control system is to protect individuals and their assets as well as those of the organization. The electronic access control system is not to be used for monitoring of an employee's attendance record. Also, actions observed or recorded by the system cannot be used as evidence for arbitration, disciplinary or administrative purposes, with the exception of those actions which constitute a misconduct under the *Criminal Code*.

5. *Internet/Telephone Monitoring*

None of the collective agreements under review included an example of Internet/telephone monitoring. However, the ever-increasing use of communication by electronic means will likely lead to the development of such provisions.

Employee Rights

1. *Older Worker Provisions*

A few examples of this provision were found in the manufacturing, education, health and social services sectors and, more predominantly, in the construction sector.

Examples

The agreement between QIT-Fer et Titane Inc. and the Syndicat des ouvriers du fer et du titane provides that when an employee is incapable of complying with efficiency and security standards required by his occupation due to a non work-related incapacity, age or for other reasons, the employer may, after consulting with the union, transfer the employee to another position for which he is qualified in accordance with his seniority. Furthermore, the employee receives the standard hourly rate for his previous position until the rate of the new position reaches the level of remuneration the employee was entitled to prior to his transfer.

The general labour, trades and services employees covered by the settlement between the Government of New Brunswick and the Canadian Union of Public Employes, Local 1253 (Part II), who are unable to perform their regular tasks because of age, can be transfered to another suitable position.

2. *Substance Abuse Assistance Programs*

The collective agreements reviewed yielded a number of examples with regard to drug and alcohol programs. Provisions from small-and medium-sized bargaining units were predominantly in the manufacturing sector while most examples from large bargaining units were in the education, health and social services sector.

Examples

In the agreement between Les Pêcheries Marinard Ltée. and the Syndicat des pêcheries Marinard, it is stated that substance abuse is recognized as an illness and that an employee who undertakes a substance abuse-related treatment prescribed by a physician of his choice, will be eligible for sick leave. In order to continue to maintain seniority, the employee must adhere to the prescribed treatment and provide a certificate from the institution or professional involved in the treatment.

In Ontario, the agreement between Pipe Line Contractors Association of Canada and various unions, it is specified that both the employer and employee will contribute 1¢ per hour earned for a total of 2¢ per hour earned to be remitted to the Alcohol/Drug Abuse Fund.

3. Health and Recreation Services

Once again, the examples available with regard to health and recreation services, were largely found in the manufacturing sector.

Examples

In the agreement between Abitibi-Consolidated Inc. and the Communications, Energy and Paperworkers Union of Canada, Local 60N, all camps shall have a recreation room for the use of employees. Such rooms shall be large enough and equipped to accommodate comfortably at least half the camp employees.

The agreement between Lear Canada and the Canadian Autoworkers, stipulates that the recreational fitness centre for the employees will remain in operation for the duration of the collective agreement.

4. Other Assistance Programs

This section covers all other assistance programs with the exception of legal aid. Examples were available for a number of industrial sectors, with however a larger concentration in the small-and medium-sized bargaining units within the manufacturing sector. As for large bargaining units, examples were mainly drawn from collective agreements in the education, health and social services sector.

Examples

In the agreement between Exceldor and the Syndicat démocratique des salariés de la co-op de Dorchester, an assistance program is offered to employees who demonstrate serious functional disorders caused by drug or alcohol abuse or who are experiencing personal problems. These employees are referred to appropriate resources in order to resolve or prevent such problems. The terms and conditions of this program are discussed by the parties at a labour relations committee meeting.

In the agreement between AltaSteel Ltd. and the United Steelworkers of America, Local 5220, the parties recognize that the organization's most important assets are its employees and that treatment of problems related to alcohol and drug abuse, physical, mental and emotional illness, etc. have the potential for successful treatment provided that they are identified in their early stages and referral is made to an appropriate assistance resource. Therefore, the parties have agreed to establish and maintain an Employee Referral Program designed to prevent or resolve personal, social or health problems that can or have become work-related problems; enable people to improve their quality of life, and assist troubled employees in arranging for appropriate outside resources.

Conclusion

As generally observed throughout the article, there are currently few provisions related to employer and employee rights cited in the collective agreements studied, with the exception of provisions for substance abuse and other assistance programs. Furthermore, it is interesting to note that collective agreements in the manufacturing sector most frequently refer to provisions of this nature. As many of these provisions still remain a topic of discussion among stakeholders, further tracking may result in growing incidence in collective agreements in Canada.

WORK STOPPAGES – 2001
AND CHRONOLOGICAL PERSPECTIVE

Workplace Information Directorate
Labour Program, Human Resources Development Canada

Major Work Stoppages (500 or more workers)

Summary

There were eight work stoppages involving 500 and more workers during the third quarter of 2001 in Canada. Three major work stoppages accounted for 83 per cent of the person-days not worked. The strike involving Government of Canada workers and the Public Service Alliance of Canada represented 164,140 person-days not worked, which accounted for approximately 49 per cent of the person-days not worked during the third quarter. During the same period, two work stoppages in British Columbia, Translink and Health Employers Association, involving paramedical employees and nurses, represent 82,220 and 32,000 person-days lost respectively and together accounted for an additional 34 per cent of the third quarter total.

Table 1

Major Work Stoppages by Jurisdiction
Third Quarter 2001

Jurisdiction	Stoppages	Workers Involved	Person-Days Not Worked
Newfoundland	1	1,110	22,140
Prince Edward Island	-	-	-
Nova Scotia	-	-	-
New Brunswick	1	2,697	5,160
Quebec	-	-	-
Ontario	2	1,100	26,600
Manitoba	-	-	-
Saskatchewan	-	-	-
Alberta	-	-	-
British Columbia	3	37,275	115,420
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	**7**	**42,182**	**169,320**
Canada Labour Code-Part I	-	-	-
Federal Administration	1	43,148	164,140
Federal Total	**1**	**43,148**	**164,140**
Total	**8**	**85,330**	**333,460**

Source: Workplace Information Directorate

Table 2

Major Work Stoppages by Industry
Third Quarter 2001

Industries	Stoppages	Workers Involved	Person-Days Not Worked
Primary Industries	-	-	-
Utilities	-	-	-
Construction	-	-	-
Manufacturing	1	600	16,800
Wholesale and Retail Trade	-	-	-
Transportation	1	3,575	82,220
Information and Culture	-	-	-
Finance, Real Estate and Management Services	-	-	-
Education, Health and Social Services	4	37,507	60,500
Entertainment and Hospitality	-	-	-
Public Administration	2	43,648	174,140
Various Industries	-	-	-
Total	**8**	**85,330**	**333,460**

Source: Workplace Information Directorate

All Work Stoppages (one or more workers)

Table 3

All Work Stoppages by Jurisdiction
Second Quarter 2001

	Cumulative to June 30, 2001		
Jurisdiction	Stoppages	Workers Involved	Person-Days Not Worked
Newfoundland	7	17,064	63,460
Prince Edward Island	-	-	-
Nova Scotia	2	4,630	2,200
New Brunswick	1	2,500	7,140
Quebec	5	23,335	172,020
Ontario	11	20,349	311,750
Manitoba	-	-	-
Saskatchewan	1	12,000	51,430
Alberta	1	1,950	70,200
British Columbia	2	13,375	248,410
Territories	1	614	900
Multiprovince	-	-	-
Total Provinces	**31**	**95,817**	**927,510**
Canada Labour Code-Part I	1	500	10,000
Federal Administration	-	-	-
Federal Total	1	500	10,000
Total	**32**	**96,317**	**937,510**

Source: Workplace Information Directorate

Table 4

All Work Stoppages by Industry
Second Quarter 2001

	Cumulative to June 30, 2001		
Industries	Stoppages	Workers Involved	Person-Days Not Worked
Primary Industries	2	2,510	85,130
Utilities	-	-	-
Construction	2	15,500	80,000
Manufacturing	2	1,700	6,300
Wholesale and Retail Trade	1	825	41,260
Transportation	3	6,025	309,010
Information and Culture	1	891	3,500
Finance, Real Estate and Management Services	1	4,500	16,070
Education, Health and Social Services	17	57,058	372,710
Entertainment and Hospitality	1	1,700	1,700
Public Administration	2	5,608	21,830
Various Industries	-	-	-
Total	**32**	**96,317**	**937,510**

Source: Workplace Information Directorate

A weekly listing of *Major Work Stoppages in Canada* and a full chronological perspective are available on the Workplace Information Directorate Web site at

http://labour.hrdc-drhc.gc.ca/doc/wid-dimt/eng

Table 5

Work Stoppages – A Chronological Perspective

Period	Number beginning year or month	In existence during year or month*			% of Estimated working time
		Total Number	Workers involved	Person-days not worked	
1991	399	463	253,334	2,516,090	0.09
1992	353	404	149,940	2,110,180	0.07
1993	323	381	101,784	1,516,640	0.05
1994	312	374	80,856	1,606,580	0.06
1995	282	328	149,159	1,583,070	0.05
1996	297	330	281,816	3,351,850	0.11
1997	229	284	257,664	3,610,210	0.12
1998	341	381	244,402	2,443,880	0.08
1999	358	413	158,612	2,445,740	0.08
2000	196	254	131,430	1,230,490	0.04
2000					
July	2	3	14,130	82,010	0.03
August	5	5	4,720	31,020	0.01
September	2	5	11,535	50,910	0.02
October	10	13	26,973	121,100	0.04
November	2	9	11,339	120,470	0.04
December	1	4	5,392	34,590	0.01
2001					
January	-	2	1,947	28,700	0.01
February	2	3	3,764	39,830	0.01
March	4	6	8,850	95,990	0.04
April	13	18	42,626	401,360	0.15
May	5	8	35,630	210,910	0.07
June	5	10	37,530	160,720	0.06

* Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source: Workplace Information Directorate

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program of Human Resources Development Canada covers strikes and lockouts which amount to ten or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A strike will be declared illegal if it does not respect the applicable laws. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer – Firm or firms employing the workers reported on strike or locked out.

Location – Location of the plant or premises at which the work stoppage occurred.

Industry – Industry of employer according to the North American Industry Classification System (1997).

Union – The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved – The total number, or approximate total number, of workers reported on strike or locked out, whether or not they all belonged to the union directly involved in the dispute that led to work stoppage. Where the number of workers involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is the number used). Monthly totals are similarly based on the highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of workers shown may include the same workers more than once if they are involved in more than one work stoppage during the year (or other reference period). Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on workers involved.

Starting Date – The day on which the work stoppage began.

Termination Date – For work stoppages that are terminated by mutual agreement, the termination date is the day on which work was resumed. Where normal operations could not be resumed shortly after the employees agreed to return, the day on which they were available for work is regarded as the termination date. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the workers involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration – The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

Duration in Person-Days – Duration in working days multiplied by the number of workers involved. For work stoppages involving establishments in which the number of weekly working days (see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. Variations in the number of workers involved in the course of a stoppage are also taken into account in the calculation as far as practicable. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a measure of the loss of production time to the economy.

The expression "Time loss" is occasionally used instead of "duration in person-days". The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid workers in Canada obtained from the Labour Force Survey of Statistics Canada.

Jurisdiction – Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses covered by Part 1 of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g., minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

WORKPLACE INFORMATION DIRECTORATE

Labour Program
Human Resources Development Canada

Did you know... Visit our Internet site

Your link to the Labour Program's Workplace Information Directorate is
http://labour.hrdc-drhc.gc.ca

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  - calendars of *Major Collective Agreement Expiries and Reopeners;*
  - searchable *Labour Organizations* database;
- Online request for information and subscription forms.

INNOVATIVE WORKPLACE PRACTICES

Bruce Aldridge
Workplace Information Directorate
Labour Program, Human Resources Development Canada

This overview of innovative or special interest provisions is derived from a summary of 136 collective agreements that settled between April and August 2001. Of this number, 76 include provisions deemed innovative or of particular interest.

Duration

The trend of having contract durations of 36 months or less continues for a majority of the collective agreements signed during this selected period (84 per cent of agreements reported). Of those remaining, eight agreements had a duration of 60 months, while one agreement, Smurfit-MBI and the Communications, Energy and Paperworkers Union of Canada in St. Laurent, Quebec, had a renewal term of 84 months.

Compensation

A **profit sharing plan** continues for both Canadian Freightways Limited in the Prairie Provinces, British Columbia, Northwest Territories and Yukon and the International Brotherhood of Teamsters and IPL Inc. in Saint-Damien-de-Buckland, Quebec, with the Service Employees International Union. The Canadian Freightways' plan is subject to the company achieving 60 per cent of profit accomplishment goal and the formula calculation is hourly wage, times the number of straight hours worked including statutory holiday and vacation pay, times 7.0 per cent, times the actual profit sharing accomplishment. The IPL Inc. formula consists of multiplying the gross salary on January 1 of each year by the percentage of savings, divided by the number of hours worked and distributed equally for each hour worked by each employee. The generated adjustment, paid as a lump-sum payment in December, will be the profit sharing percentage less the wage adjustment. Also, CORUS, previously Reynolds Aluminum of Canada, and the Fédération de la métallurgie in Cap-de-la-Madeleine, Quebec, have replaced the current indexing provision with a **gain-sharing plan** which provides a minimum guaranteed bonus of $800 for the year 2003. In 2003, the union and employees will choose between returning to the indexing provision, which would provide a 1.0 per cent wage adjustment in each remaining year of the contract, or remain with the gain-sharing plan, which would provide a guaranteed bonus of $1,000 for the years 2004, 2005 and 2006.

Market retention adjustments have been noted in several agreements. The Northern Alberta Institute of Technology and its Academic Staff Association in Edmonton, Alberta, provide a provision whereby a one-time grant equal to 1.0 per cent of payroll made available by the provincial government, addresses salary inequities which could have market retention implications. At the start of a 24-month agreement, Natco Canada Ltd. and the International Brotherhood of Boilermakers, Iron ship Builders, Blacksmiths, Forgers and Helpers, Calgary, Alberta, implemented a 6.5 per cent wage adjustment to maintain **industry competitiveness**. Two agreements between the Health Employers Association of British Columbia and the Nurses' Bargaining Association and the Paramedical Professional Bargaining Association, province-wide, British Columbia, have established additional annual adjustments ranging from 2.0 to 5.1 per cent, depending upon classification, to address the **recruitment and retention of employees**. Also in British Columbia, the Pacific National Exhibition in Vancouver, implements adjustments that range from 0.5 to 1.0 per cent per year to cover recruitment and retention issues for regular employees created by competitive pressures from other employers, such as the City of Vancouver and other Lower Mainland municipalities. In Ontario, the Regional Municipality of Durham and the Canadian Union of Public Employees provided additional adjustments which were applied before the negotiated wage increases. These ranged from approximately 8.0 to 16 per cent and were primarily given to classifications considered to be **"Hot Market"**.

Different styles of **wage restructuring** or **classification adjustments** were reported in 14 agreements. Two Government of Canada settlements and one National Research Council of Canada settlement **restructured wages** by eliminating the minimum level and adding a step to the maximum of all levels. Two Government of

New Brunswick settlements, both negotiating with the Canadian Union of Public Employees, include **special classification adjustments** which apply to a majority of bargaining unit employees (70 and 90 per cent), to address wage equity and employee recruitment and retention. The Edmonton Public Library Board and the Civic Service Union No. 52 introduced the **amalgamation of salary schedules** for shift and non-shift employees, resulting in additional wage adjustments for various classifications. The licensed practical nurses with the Nova Scotia Association of Health Organizations and the Nova Scotia Nurses Union were given a classification **review adjustment advance** in the first year of their agreement in addition to a 2.0 per cent wage adjustment.

AT Plastics and the Communications, Energy and Paperworkers Union of Canada have introduced a **variable pay program** based on performance measures in order to encourage employee understanding and alignment with business and company objectives and strategies, and to recognize employee contributions to achieving these objectives.

Twenty-two agreements reviewed for this period received either a **lump-sum payment** or a **signing bonus**. The lump-sum payments range from $250 in each of the first two years of a three-year agreement with Camco Inc. in Montréal, Quebec, to $1,000, $700 and $600 payments respectively, in a three-year agreement with Parmalat Dairy and Bakery Inc. in Brampton, Ontario. Toronto District School Board and the Ontario Secondary School Teachers' Federation provided an amount equal to 1.95 per cent of year 2000 earnings to all bargaining unit members, except continuing education occasional teachers. In two collective agreements between the City of Montréal and the Canadian Union of Public Employees, a 1.0 per cent lump-sum payment provided for in the previous agreement was folded into the wage rates, in addition to a 1.0 per cent wage adjustment.

Cost-of-living allowances were recorded in 16 renewed agreements. Of these, 11 used the calculation of a cent amount for each point increase or decrease in the Consumer Price Index; with only one agreement using a 4.0 per cent trigger. All other agreements used the calculation of an amount equal to the percentage increase or decrease in the Consumer Price Index, with most having a trigger of at least 2.0 per cent.

Working Conditions

A provision between Gray Line of Victoria Ltd. in Vancouver and Lower Mainland, British Columbia, implements a **flextime** work schedule which enables office employees, in approved classifications, to work hours in excess of their normal daily hour for a fixed period, in exchange for a paid day off at a later date within the month worked. Suncor Energy Inc. in Fort McMurray, Alberta, and the Communications, Energy and Paperworkers Union of Canada continue a **flexible benefits health care spending account** whereby the employer contributes an additional $400 into each employee's account. Under **family-related leave**, the Manitoba Hydro and the Association of Manitoba Hydro Staff and Supervisory Employees provided a new provision which grants up to a maximum of five paid days to cover the illness or medical appointments of a parent, spouse or child. The Government of Newfoundland and Labrador and Canadian Union of Public Employees have extended their family-related paid leave of 15 hours per year for full-time employees to part-time employees, but prorated according to hours worked in the previous year.

Job Security

Cooper-Standard Automotive (Canada) Limited in Stratford, Ontario and the Canadian Autoworkers provide that, in the event of **plant closure**, the employer will notify the union within two months and the parties will meet to discuss averting the closure. If not successful, they will continue to discuss severance packages, any extension in benefit coverage and an adjustment process. The employer will also provide job search and social counseling for affected employees. A **job-sharing** clause has been introduced by the Government of Newfoundland, province-wide, and the Newfoundland and Labrador Association of Public and Private Employees. The guidelines state the arrangement will be employee-initiated and voluntary; be one full-time position shared by two employees, each working 50 per cent of the position; permit the employees to self-schedule the work; share the collective agreement benefits equally; and include a pre-determined notice period for discontinuing the arrangement. In a letter of understanding between the City of Calgary and the Canadian Union of Public Employees, the impact of **large scale organizational changes** will not be carried out without union review and involvement. In the agreement between the Government of Saskatchewan, province-wide, and the Saskatchewan Government and General Employees

Union, not only is employment security **guaranteed** for bargaining unit members for the current fiscal year but 400 permanent part-time incumbents will be converted to full-time status.

Training

Education funds were noted in at least six agreements reviewed, with employer contributions ranging from 1¢ to 3¢ per employee per hour worked. Natco Canada Ltd., Calgary, Alberta has an employer-financed cap of $75,000, while the Health Employers Association of British Columbia covering the para-medical professionals will contribute $1 million toward education leave. Camco Inc. and the Communications, Energy and Paperworkers Union of Canada in Montréal, Quebec, provide that the employer will commit $5 thousand, for training when an employee is **laid off** as a result of plant closure. Lear Corporation and the Canadian Autoworkers grant an amount of $750 per year for **tuition and book costs** associated with a work-related course. The University of Windsor and the Faculty Association have established **unique pilot programs** to be established in the areas of Business and Engineering. The programs will be designed to meet the specific needs of *outside professionals and others* seeking opportunities to acquire knowledge and skills, enabling them to improve or shift their careers. These programs will be designed not to compete with the academic programs of the University.

Labour-Management Committees

Once again this quarter, close to half (30) of the 76 agreements with innovative practices contained provisions for establishing joint committees. The committees consisted of a wide variety of issues. The Health Employers Association of British Columbia and the Nurses' Bargaining Association have established a joint provincial committee to conduct research into the **causes of overtime** and to identify ways and means of reducing such overtime in a cost-effective, efficient manner. Research findings and recommendations will be provided to the Ministry of Health Services and the Ministry of Health Planning. The association of building service contractors in Quebec and the Service Employees International Union, have initiated a committee on **prevention services** which will review health and safety issues, design and develop training and make recommendations concerning health and safety regulations and standards. Smurfit-MBI and the Communications, Energy and Paperworkers Union of Canada, in Quebec, have incorporated a committee to develop procedures for setting up a **training program** that would enable employees to be qualified to perform plant-related operations and to assess training needs, objectives and priorities. The Coast Mountain Bus Company in Victoria, Vancouver and Lower Mainland, British Columbia, and the Canadian Autoworkers have established an **joint operational review** committee, which is intended to be a long-term consensual body seeking solutions to productivity issues while protecting employee's interests. Emco Limitée and the Syndicat national des travailleurs des pâtes et papiers de Pont Rouge inc. have incorporated a committee for the development of **teamwork** to exchange the benefits of knowledge and experience in the workplace.

A number of other agreements include provisions to discuss such issues as workload, work environment, utilization of temporary employees, modified work week, cost containment in benefits and pension programs, harassment procedures, and pay equity/classification.

Coming in the Next Issue!

In 2000, the Workplace Information Directorate introduced small bargaining units in response to client consultations requesting such information and to reflect the distribution of smaller workplaces in the Canadian industrial composition. The smaller bargaining units represent a sample by industrial sector across Canada, while the large and medium bargaining units represent all bargaining units across Canada. Our next issue will feature an analysis of this new group.

PERSPECTIVES ON CANADA'S SKILLS CHALLENGES – LABOUR AND BUSINESS ACTIONS

Arlene Wortsman and Derwyn Sangster
Canadian Labour and Business Centre

As an independent national labour-business organization, the Canadian Labour and Business Centre[1] *has for several years focused attention on the complex and far-reaching issues involved in meeting Canada's skills challenges. Competition for skilled workers is fierce and, in many fields, increasingly international in scope. This is one of the most serious challenges facing Canadian management and labour—people who work in and for the companies and organizations that generate income, employment, and social and economic well-being for all Canadians.*

There has been an observable evolution in the perspectives of both business and labour on a number of key fronts. National business-labour leadership surveys by the Canadian Labour and Business Centre indicate that "skills shortages"—which as an issue was barely on the radar screen of labour and business four or five years ago—are now ranked by both constituencies as one of their top 10 concerns.

The main purpose of the Centre's consultations was to identify opportunities for action related to the priority concerns of business and labour. These opportunities include relatively straightforward measures that, in the opinion of both constituencies, can and should be implemented immediately. The study identifying the aspects of skills challenges issues was published in the previous issue of the Workplace Gazette; a full report including background papers is available at <http://www.clbc.ca>.

Actions by Labour

Collective Bargaining Process

Many unions are using the framework of collective bargaining to press for training programs. There are many examples of innovative and creative programs operating at the community or workplace level, in some cases because there was a strong local champion who supported a particular program. Recent examples of partnerships that have come together to address a specific need include:

- The Canadian Union of Public Employees and the City of Winnipeg have negotiated a $3 million education fund in their current collective agreement to help people upgrade their basic skills (i.e., obtain their high school diploma) and train for the skills of the future.
- The Communications, Energy and Paperworkers Union of Canada has negotiated a training program for some of its older employees to provide a transition from very demanding physical work to work more appropriate for their age group.

Labour respondents acknowledged that some collective agreements could be an obstacle to the assessment and recognition of prior learning, as agreements do not always distinguish between qualifications and competency.

Many unions have started to incorporate into their collective agreements specific ratios of apprentices to skilled workers. This is one approach to addressing the looming demographic crunch. Some labour participants would like to see companies that follow this approach rewarded through either tax credits or payroll tax reductions.

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[1] The Board of the Canadian Labour and Business Centre comprises business and labour leaders from all regions of the country and a wide range of industries and economic sectors. Senior representatives from the federal, provincial and territorial governments and from the post-secondary education sector also participate on the Board.

Examples of this are:

- The Communications, Energy and Paperworkers Union of Canada and the Pulp and Paper Woodworkers union have proposed one apprentice position for every five skilled tradespersons.
- CAW-Canada and the Big Three auto companies (General Motors, Ford and Chrysler-Daimler) negotiated in their current contracts a ratio of one apprentice for every seven skilled tradespersons.

Training

Recognizing that the likelihood of a national training tax is somewhat remote, many unions are proposing training funds, similar to the arrangements between the City of Winnipeg and Canadian Union of Public Employees. These training funds would be established and jointly administered by the union and the employer to assist workers in upgrading their skills either with basic programs (literacy, numeracy, etc.) or with courses that provide them with the skills needed for the future.

The training funds could be an innovative way to help older workers make a transition from one job to another. Rather than leave the labour force due to long-term disability or early retirement, older workers would receive training that would enable them to use their current skills in a different fashion.

Older workers have skills and abilities that should be utilized rather than lost when they retire.

The Ontario Secondary School Teachers' Federation has developed a protocol for allowing people in industry to be certified as teachers. These instructors are paid according to the salary scales set by the Teachers' Federation.

Phased-in retirement might be one way to encourage experienced workers to mentor younger workers. A mentoring program would help younger workers solidify skill sets that are learned in an academic setting.

Older workers have skills and abilities that should be utilized rather than lost when they retire.

Labour respondents urged stronger support for union training centres and programs, and greater co-operation between public and private sector unions on training. Many private sector unions, particularly in the construction trades, negotiate training through their training trusts. The training trusts are run by the unions, usually on their premises. Many of the public sector unions, especially those who work in the community college system, view this as a competitive system. The labour movement recognizes that there is much to be gained by working co-operatively.

Some university administrators mentioned that they are looking at new working arrangements—alleviating the teaching load of faculty by hiring so-called teacher masters, hiring retired professors on contract for teaching and student supervision duties, moving lecturers into the faculty stream, and so on—as possible solutions to their recruitment and retention difficulties. Such avenues can only be explored in the context of new collective agreements and will require support from labour.

Working with Community Groups

There is a recognition that the labour community needs to communicate with the Aboriginal population. There are cultural differences that need to be addressed. The Aboriginal population, particularly in the western provinces, will make up a large proportion of new entrants to the labour market in the coming years. A number of unions such as the United Steelworkers of America have developed specific programs to address the needs of Aboriginal workers.

Similarly, labour recognizes the importance of working more extensively with new immigrant communities, many members of which have specific needs such as basic English or French second-language training.

Actions by Business

Many business representatives expressed a need for the business community to "step up to the plate" to play its role in addressing skills issues. As described by business respondents, this role has a variety of dimensions.

Business Training Efforts

There is recognition that higher levels of training will be needed in future to offset difficulties in recruitment. The point was also made that such training levels should not be reduced at the first sign of an economic downturn.

In response, the Canadian Manufacturers and Exporters have undertaken to champion an industry initiative to expand private sector training. An action plan is being designed to address the skills gap, particularly in manufacturing and export sectors. The Canadian Manufacturers and Exporters wish to work closely with government agencies to expand existing skills training and transition training programs, and with educational institutions to raise awareness in high schools concerning opportunities and skills requirements. They also realize that industry must make a commitment to expand private sector training budgets to ensure a growth in the skills and knowledge of current workers. Leadership of this sort is necessary to draw attention to the need to increase training levels.

> *The Canadian Manufacturers and Exporters wish to work closely with government agencies to expand existing skills training and transition training programs, and with educational institutions to raise awareness in high schools concerning opportunities and skills requirements.*

Modular Training

As one business representative put it, "we have to decide on the kind of training we want." Discussion of this issue, most frequent in western Canada and with representatives of residential and non-residential construction, reflected two different views of skills training approaches, particularly in terms of apprenticeship.

One group favoured a full apprenticeship approach to trades training in which certification, and the mobility rights that accompany this, would be granted after completion of a full apprenticeship program that included all aspects of the trade. Another favoured a modular approach to training, in which recognition of completed modules (some of which might be in different trades areas) would produce workers with skill sets more tailored to particular employer needs. The viability of and support for modular training varies from sector to sector.

Effective Apprenticeship

Business respondents identified a critical need to improve approaches to apprenticeship by enhancing the attractiveness of the trades and the effectiveness of trades training. On both these fronts, the role played by employers will be critical to success. In partnership with provincial governments, employers will have to take greater ownership of the system to make it work for them.

Alberta's industry-led apprenticeship approach enjoyed strong support from both industry and government. The system, based on local and regional industry committees with labour and business representation, produces curricula that meet industry needs in a flexible way and maintains industry "ownership" of the system. Significantly, the provincial government supports the work of these committees through staff and secretariat roles.

All parties must take opportunities to share and co-ordinate approaches across jurisdictions through organizations such as the Canadian Apprenticeship Forum. The Canadian Manufacturers and Exporters, for example, is making industrial apprenticeship a priority for its members.

Many employers pointed to the need to support and promote specific initiatives such as the Skills Canada competitions to create visibility and publicity for excellence among trades trainees.

Effective Links to the Education System

Partnerships with schools, which many business representatives identified as essential, require the active involvement of employers. The opportunities to use business representatives and resources to support educational institutions are many and varied. They include, for example,

1. providing opportunities for co-op placements or internships;
2. participating on curriculum advisory committees;
3. participating in programs to exchange business and teaching staff, in either direction;
   (*For example*: A program has been set up in the Manitoba aerospace industry under which a teacher spends a year in the industry to do a specific agreed-upon project with a skills or training focus. In some cases, teachers have sat on industry hiring panels; in others, they have overseen the development of skills-based, company-wide occu-pational profiles.)

4. initiating arrangements whereby business contributes and regularly renews the equipment being used in institutions, in return for training places or other considerations;
   (*For example:* Ontario's Durham College has agreements by which local employers regularly update the equipment it uses in its courses. Ontario Power Generation is part of a consortium of employers that supplies tools and equipment to colleges, as well as co-op opportunities, in return for training aimed at industry needs.)

5. funding university research chairs in particular fields, which keeps top academic staff in Canada and, with them, a core of graduate students who serve as the source of further academic staff and professionals in these fields.
   (*For example:* The Strategic Microelectronics Consortium is working on Empowr, a program in which matching industry and federal government contributions of $500 million will fund five research chairs in microelectronics. Similarly, Ontario Power Generation is funding research chairs in nuclear engineering at five Ontario universities, to retain key staff and students and provide an ongoing source of qualified engineering expertise.)

In addition, business representatives recognized that while larger employers are likely to have the human and financial resources to participate in these partnerships, there is also a clear need to find a way to engage smaller employers and their workers in this way.

Business Actions on Credentials Recognition

There is a need for employers to press for improved credentials recognition processes for foreign-trained workers. The Canadian Manufacturers and Exporters and the Business Council of British Columbia were among the business associations calling for improvements in this area.

Since provincially mandated credentials assessment agencies exist in four provinces, employers and their associations in these provinces are well positioned to encourage their use and to provide opportunities for them to publicize their services. Employers should also consider engaging provincial regulatory and licensing bodies in discussions of how to speed up the process by which these bodies grant recognition of foreign credentials.

Finally, a number of business respondents noted that effective recognition of the work experience of foreign-trained workers constitutes a further means of identifying the skills they bring to Canadian employers. Prior learning assessment and recognition approaches constitute a valuable tool in this regard, and should be used more extensively by employers.

Creating Opportunities for Aboriginals

Business respondents, particularly in Manitoba, Saskatchewan and Alberta, were sensitive to the need to include Aboriginals effectively in the work force. Many noted both the obstacles to be addressed in this regard and examples of partnerships between businesses or business associations and Aboriginal organizations that were designed to address these obstacles.

Such partnerships, many of which involve job training, placement and mentoring, were seen as leading the way for expansion to include more businesses and more placements. Business representatives conveyed the need for employers and employers' associations to participate in such initiatives.

UNION BARGAINING PRIORITIES IN THE NEW ECONOMY: RESULTS FROM THE 2000 HRDC SURVEY ON INNOVATION AND CHANGE IN LABOUR ORGANIZATIONS IN CANADA

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Collective bargaining is at the heart of unions' attempts to protect and improve the wages and working conditions of their members. Each year, thousands of union and employer negotiators in Canada seek to come to some agreement about the terms and conditions that should govern the employment relationship in their workplaces. These negotiations invariably reflect the particular environmental features of the industries in which they take place as well as the comparative organizational capacities and the broader philosophies and objectives of the parties to the negotiation. This article seeks to identify key trends over the last bargaining round as perceived by the major labour organizations across Canada.

Over the winter and spring of 2000-2001, on behalf of the Workplace Information Directorate of Human Resources Development Canada and in co-operation with a broad range of union organizations, we conducted a survey of innovation and change in labour organizations in Canada. The targeted population was the 205 national and international unions of 500 or more members in Canada, which accounted for a little more than 3.8 million union members. Due to the great union interest and co-operation in this survey, the response rate was very high: 120 national unions (58.5 per cent of the sample) covering a little more than 3 million members (79.7 per cent of members in the targeted population). The typical respondent was a senior official or staff person in a provincial or national union, such as a teachers' or nurses union at provincial level or an industry or occupational federation of a labour central in Quebec or a construction or multi-industry union at national level, reporting on trends in their own organizational practices and the bargaining environment and priorities in their major sector. We received responses from every province and territory. In the previous issue of the *Workplace Gazette*, we presented an overview of the diffusion of different innovative practices and technologies. In this issue, we profile some of the major bargaining and environmental trends emerging out of this survey.

The survey asked unions to describe in detail the nature and scope of the changes in the bargaining environment, bargaining priorities, and the degree of success they have achieved in their bargaining objectives in the major industry or sector in the last bargaining round. This means that a major union, covering a multitude of industries, was asked only to report on those trends for its major concentration of membership.

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Above all, it would not have been possible to present such a complete set of results without the support of many persons and organizations in the Canadian labour movement and we especially wish to acknowledge their contribution to this larger study of the processes of union renewal in Canada for which we have also benefited from the support of Social Sciences and Humanities Research Council and the Fonds pour la formation de chercheurs et l'aide à la recherche.

The survey responses covered a diverse range of industries in both public and private sectors: from grain handling and agri-business to manufacturing, construction, transportation, communications, utilities, trade, and private and public services including health, education and public administration. Seven out of ten respondents were reporting for industries in the public sector. This reflects the fact that the distribution of union organizations tends to be more decentralized in the public sector; for example, separate unions for teachers, nurses and civil servants in each province and territory. The responses related to a total of 8,797 bargaining units of varying sizes from 2 to 48,000 and covering just over 2 million workers, over one half of all workers covered by collective agreements in Canada. Roughly half of respondents had more than 5,000 members in the particular industry for which they were reporting. A majority (52.7 per cent) of the industries, for which responses were provided, involved more than one bargaining unit. The largest bargaining unit in the particular industry for which they were reporting was more than 1,800 workers for more than half of the survey respondents. The estimated average union density in the industries was 81.9 per cent, ranging between 8.0 and 100 per cent. Less than 10 per cent of respondents reported a union density in their key industry of less than 50 per cent and more than 60 per cent reported a union density greater than 80 per cent in that industry. The average union density for public sector respondents was 88.2 per cent whereas it was 69.2 per cent for private sector respondents. In other words, the reporting unions tended to be in highly unionized industries and this reflects the overall distribution of union membership in Canada; particularly in the public sector where union density is very high.

This article first gives an overview of the bargaining environment over the last three years and its implications for labour-management relations and union members' identification with their unions. The second section focuses on bargaining approaches and policies on the part of the major unions in Canada. Finally, in the last three sections, we successively examine bargaining priorities, bargaining success and the factors that union respondents believe are significant in achieving bargaining success.

Bargaining Environment

Respondents were asked to indicate specific trends over the last three years for aspects of their major industry bargaining environment (see Table 1). It should be recalled that this was generally a period of economic expansion and that the period covered over these three years (1998-2001) would probably not capture the recent onset of a severe downturn in the economy.

Union Representation

Two-fifths (40.8 per cent) of respondents reported an increase in the overall level of employment in their industry. Over one-third (38.2 per cent) reported moderate to significant decreases and these decreases were more likely to have occurred in the public sector. Over one fifth (21.2 per cent) responded that overall employment stayed the same during the past three years.

As for the number of workers represented, 45.3 per cent of unions reported an increase, 24.0 per cent experienced a decline and 30.8 per cent reported no change. Similarly, 23.3 per cent indicated an increase in union density in their major industry, 70.3 per cent reported that it had stayed the same and only 5.4 per cent experienced a moderate decline. Little variation in these trends was observed between public and private sectors.

To summarize, while Canadian union respondents reported uneven growth in the overall level of employment, it did not translate into particular pressures on either the number of members or the level of union density. The more pronounced tendency in the case of union membership was to report an increase while the overwhelming tendency for union density was one of stability. It should be emphasized, however, that this stability must be located in the context of industries where the level of union density is already relatively high. In other words, Canadian union membership fortunes remain buoyant where they are already well established.

Competitive Environment

Canadian unions continue to face an increasingly competitive environment together with rapid technological change and downward pressures on public spending.

A majority (54.6 per cent) reported modest to significant increases in the degree of domestic or international competition in their industry. Over two-fifths (41.6 per cent) believed that there has been no change.

More than four-fifths (84.5 per cent) reported an increase in the pace of technological change while 15.5 per cent indicated that the pace of change had remained the same. Similarly, nearly four-fifths (78.2 per cent) stated that the extent of industrial/organizational restructuring has increased; 18.2 per cent believed that there has been no change. Neither the degree of technological change nor industrial restructuring appear to differ significantly in public and private sectors.

The overall pressures on public spending are evident in the union responses on the extent of government spending in their industry: 45.2 per cent of respondents reported a decrease in government spending, 27.9 per cent believed that it had increased, and 26.9 per cent indicated that the spending was unchanged. Similarly, while one-half (50.0 per cent) of respondents stated that government regulation of their industry showed no change over the past three years, 27.6 per cent reported an increase and 22.4 per cent a decrease.

Management Strategies

The aforementioned economic pressures are certainly evident in the union respondents' reading of trends in management strategies in their major industry. Over three-fourths of respondents reported modest to significant increases in management emphasis on cost reduction. Nearly one-half further indicated an increase in downsizing/layoffs (46.5 per cent), level of outsourcing and contracting-out (47.3 per cent) and the extent of closures/mergers/amalgamations (60.2 per cent). Two-fifths of respondents also reported an increase in the degree of privatization, although a majority (56.8 per cent) believed that it has stayed the same over the past three years. With the exception of downsizing and layoffs, fewer than one in ten respondents report a decrease in these strategies. These overall trends in management strategies do not differ significantly between public and private sectors.

Work Environment

Unionized workers in Canada appear to face very strong pressures on their workload or pace of work. An overwhelming majority of union respondents (86.6 per cent) reported that their members have experienced modest to significant increases in workload or the pace of work. Almost one-half (46.7 per cent) reported an increase in health and safety risks. On the other hand, a majority identified the following as unchanged over the past three years: health and safety risks (50.8 per cent), level of job security (52.9 per cent), promotional/advancement opportunities (63.4 per cent), worker access to training and retraining (48.7 per cent) and the degree of worker influence over their job (59.0 per cent).

These pressures appear to be much greater in the public sector than the private sector. Thus, public sector unions report significantly higher increases in workload and health and safety risks and reduced promotional opportunities and influence over the job for their members. The contrast in worker access to training and retraining opportunities was even greater as public sector workers were more likely to have experienced a decreased access to such opportunities, while the dominant trend reported by private sector unions was one of increased access.

Workplace Practices

The survey indicates that unions continue to face increasing efforts by employers to change the organization of work. Almost two-thirds of unions report an increase in multi-skilling/multi-tasking and the use of part-time/contract/temporary workers. Only one-third of unions report an increase in job rotation and cross-training, quality certification and team working or group-based work systems. The dominant trend on these indicators is one of stability with more than one-half of unions surveyed indicating that there has been no change in such workplace practices, neither in the use of quality improvement groups, nor in the use of variable payment systems. There is little variation between public and private sectors on these items except on the use of part-time, contract and temporary workers and multi-skilling/multi-tasking. Public sector unions are more likely to report both increases and decreases in the incidence of non-standard work and an increase in multi-skilling/multi-tasking.

Overall, the trend in workplace transparency and co-operation appears quite mixed. While somewhat more than half of respondent unions report stability or no change over the past three years in the incidence of information-sharing by employers, the degree of communication and consultation on workplace issues and employer initiatives for co-operation in workplace change, almost as many respondents report a decrease as an increase. Some of these trends are further accentuated when the sectoral location is taken into account. In particular, judging by survey responses, information-sharing, consultation, employer initiatives for co-operation and direct communication by employers with union members are more likely to have decreased in the public sector. At the same time, public sector unions are also more likely to report an increase in information-sharing and co-operation initiatives. It is probably safe to assume that the environmental pressures are being translated in a variety of ways in the public sector: sometimes in terms of decreased transparency and less co-operation; other times, through increased transparency and greater co-operation. In brief, it would appear that stronger environmental and organizational pressures have led to a more volatile mix of conflict and cooperation in public sector bargaining relations.

Bargaining/Labour-Management Relationships

Survey results reveal a mixed pattern of both stability and adverse change in bargaining/labour-management relationships, over the past three years.

Based on union respondents' perceptions, employers are certainly more likely to be increasing demands for concessions than not. Nearly two-fifths to one-half of union respondents reported modest or significant increases in employer demands for concessions in wages and benefits (42.6 per cent) as well as work rules (51.5 per cent), but four out of ten respondents also report stability in this respect. In other words, competitive conditions and public sector restraints continue to exert considerable pressures on the bargaining process.

These pressures are expressed in different ways in terms of the degree of co-operation and conflict in the bargaining relationship. The dominant trend is certainly one of relative stability. A little over one-half of unions reported that union-management co-operation (52.1 per cent) and employer desire for greater union involvement in the change process (51.3 per cent) have not changed over the past three years. However, nearly one-third (30.8 per cent) believe that attempts to involve unions in the change process have increased and almost one-quarter (23.5 per cent) indicate an increase in union-management co-operation. At the same time, another quarter (24.4 per cent) of respondents report decreased co-operation and more than a third (36.8 per cent) point to an increase in employer attempts to undermine union credibility in the work place. Overall, it is more likely that union-management conflicts have increased (37.8 per cent) than decreased (10.9 per cent).

Employer bargaining power is either fairly stable (51.3 per cent) or has increased (42.0 per cent) whereas union respondents report that their own bargaining power is somewhat more likely to have decreased (32.2 per cent) than to have increased (25.4 per cent). When these two trends in employer and union bargaining power are combined, the most common configuration (approximately 32.2 per cent of respondents) is one of stability, in which the union respondent evaluates that both union and employer bargaining power are fairly stable. The other significant configurations are an increase in employer bargaining power and a decrease in union bargaining power and an increase in employer bargaining power and relative stability in union bargaining power (10.1 per cent of respondents). Only 5.9 per cent of unions report an actual decrease in the bargaining power of employers accompanied by an increase in union bargaining power. Another 16.1 per cent report a relative stability in employer bargaining power and an increase in union bargaining power. In other words, according to the perception of union observers, employer bargaining power is clearly more likely to have increased (42.0 per cent) than union bargaining power (25.4 per cent) whereas union bargaining power is more likely to have decreased (32.2 per cent) than employer bargaining power (6.7 per cent). While almost a third of respondents report a significant degree of stability in relative bargaining power, almost three in ten respondents indicate that their union has experienced a decline in bargaining power at the same time that the employer has increased relative bargaining power. However, more than one-fifth of unions have experienced an increase in bargaining power at the same time as employer bargaining power has either remained stable or decreased.

In terms of the mechanics of the bargaining relationship, the survey results suggest that the length of time it takes to conclude a collective agreement is much more likely to have increased (46.6 per cent) than to have decreased (6.8 per cent). This trend towards an increasing length of time to conclude an agreement is especially prevalent in the public sector (50.1 per cent of respondents in the public sector as opposed to 35.3 per cent in the private sector) whereas the length of time it takes to conclude a collective agreement is much more stable in the private sector (64.7 per cent of respondents). While the major trend is one of relative stability in the duration of agreements (55.2 per cent) and in the use of interest-based bargaining (54.6 per cent), the percentage of collective agreements of a duration longer than three years is more likely to have increased (34.3 per cent) than to have decreased (10.5 per cent). Respondents are also more likely to have increased their recourse to new bargaining techniques (31.9 per cent) than to have decreased their use of such techniques (13.4 per cent).

Finally, the survey responses reveal a high degree of stability in coordinated bargaining between different bargaining units of the same employer (70.9 per cent), and in the use of pattern agreements between different employers in the same industry (64.8 per cent). However, unions are five or six times more likely to report an increase than a decrease in coordination and patterns and the recourse to pattern agreements is much more likely again in the public sector than in the private sector. In contrast, a small number of unions in the private sector report a decline in the use of patterns.

Union Practices and Relationships with their Members

Despite the evident pressures on the bargaining relationship, the signs of membership support for the union and its actions appear fairly positive. More than one-third to two-fifths of respondents reported modest to significant increases in worker trust/confidence in their union (34.4 per cent), level of membership support in contract ratification votes (43.6 per cent) and union coordination of its bargaining objectives between different units in the industry (37.3 per cent). Three-fifths (61.7 per cent) indicated no change in bargaining coordination. Almost one-half (48.2 per cent) also suggested that worker trust in their unions and level of membership support in contract ratification has stayed the same. Only one in ten respondents reported a decrease in membership support in contract ratification votes and two in ten in worker trust and/or confidence in the union during the preceding three years.

Table 1

Changes in Bargaining Environment over the Last Three Years

		Increase (%)	No Change (%)	Decrease (%)
Union Representation				
Overall level of employment in the industry	(n=118)	40.7	21.2	38.2
Number of workers your union represents in this industry	(n=117)	45.3	30.8	24.0
Union density in the industry	(n=111)	24.3	70.3	5.4
Competitive Environment				
Degree of domestic/ international competition	(n= 77)	54.6	41.6	3.9
Pace of technological change	(n=110)	84.5	15.5	0.0
Extent of industrial/organizational restructuring	(n=110)	78.2	18.2	3.6
Extent of government spending in the industry	(n=104)	27.9	26.9	45.2
Extent of government regulation of the industry	(n= 98)	27.6	50.0	22.4
Management Strategies				
Management emphasis on cost reduction	(n=118)	75.4	16.1	8.5
Degree of downsizing/layoffs	(n=114)	46.5	36.8	16.6
Level of outsourcing/contracting-out	(n=110)	47.3	48.2	4.5
Degree of privatization	(n= 95)	40.0	56.8	3.2
Extent of closures/mergers/amalgamations	(n=103)	60.2	32.0	7.8
Work Environment of Members				
Level of job security	(n=119)	18.5	52.9	28.6
Workload or pace of work	(n=119)	86.6	11.8	1.7
Health and safety risks	(n=118)	46.7	50.8	2.5
Promotional/advancement opportunities	(n=112)	15.2	63.4	21.5
Worker access to training/retraining opportunities	(n=117)	23.1	48.7	28.2
Degree of worker influence over their particular jobs	(n=117)	12.0	59.0	29.0

continued

Table 1 (continued)

Changes in Bargaining Environment over the Last Three Years

		Increase (%)	No Change (%)	Decrease (%)
Workplace Practices				
Extent of multi-tasking/multi-skilling	(n=114)	68.4	29.8	1.8
Extent of job rotation/cross-training	(n=103)	34.9	61.2	3.9
Use of quality improvement groups (*kaizen*, QC, etc)	(n= 88)	20.4	64.8	14.7
Use of team working/group-based work systems	(n=102)	35.3	53.9	10.7
Extent of quality certification (ISO, QS)	(n= 79)	37.9	54.4	7.6
Use of variable payment systems (eg., profit sharing)	(n= 55)	27.3	69.1	3.6
Use of part-time/contract/temporary workers	(n=109)	64.2	30.3	5.5
Incidence of information-sharing by employers	(n=110)	23.6	54.5	21.8
Degree of consultation/communication on workplace issues	(n=115)	26.1	52.2	21.7
Employer initiatives for cooperation in workplace change	(n=115)	23.5	54.8	21.7
Direct employer communication with members rather than through union	(n=115)	34.0	59.1	7.0
Bargaining/Labour-Management Relationships				
Employer demands for concessions in wages and benefits	(n=115)	42.6	39.1	18.2
Employer demands for concessions in work rules	(n=101)	51.5	40.6	7.9
Employers seeking greater union involvement in change processes	(n=117)	30.8	51.3	17.9
Employers seeking to undermine union credibility in the workplace	(n=114)	36.8	53.5	9.6
Union-management conflicts	(n=114)	37.8	51.3	10.9
Union-management cooperation	(n=119)	23.5	52.1	24.4
Employer bargaining power	(n=119)	42.0	51.3	6.7
Union bargaining power	(n=118)	25.4	42.4	32.2
Length of time it takes to conclude a collective agreement	(n=118)	46.6	46.6	6.8
Percentage of collective agreements of a duration longer than three years	(n= 96)	34.3	55.2	10.5
Coordinated bargaining between different bargaining units of the same employer	(n= 86)	24.4	70.9	4.7
Pattern agreements between different employers in the same industry	(n= 71)	29.5	64.8	5.6
Use of new bargaining techniques such as interest-based bargaining	(n= 97)	31.9	54.6	13.4
Union Practices and Relationship with Members				
Worker trust/confidence in the union	(n=119)	34.4	46.2	19.3
Level of membership support in contract ratification votes	(n=117)	43.6	46.2	10.3
Union coordination of its bargaining objectives between different units in the industry	(n= 94)	37.3	61.7	1.1

n = number of respondents

Bargaining Approaches and Policies

Unions were asked about their different bargaining approaches and policies. In terms of membership input into the bargaining process, an overwhelming majority of respondent (78.1 per cent) indicated that their union always or almost always uses a formal mechanism for soliciting membership views on bargaining priorities and such mechanisms are more common in public sector unions than in private sector unions.

Coordination of bargaining objectives appears to be an important strategy pursued by unions in Canada. More than one-half of respondents (57.6 per cent) stated that their union fixes common objectives for its different bargaining units. A majority (51.8 per cent) of unions engage in coordinated bargaining with an employer with more than one bargaining unit. However, pattern agreements with different employers in the same industry are not very common. Over one-third (38.5 per cent) always or almost always negotiate such pattern agreements. The same proportion (38.5 per cent) of respondents reported that they do not engage in pattern bargaining. Not surprisingly, pattern agreements are more commonly reported in the private sector than in the public sector (see Table 2).

The survey also asked respondents the degree to which their union pursued a comprehensive workplace change policy, namely a proactive approach or set of policy prescriptions for the changing workplace. One-third (33.0 per cent) of the unions surveyed suggested that they always or very often do so. However, over one-third (38.4 per cent) indicated that they do not or only rarely do so.

One of the more controversial bargaining issues over the last few bargaining rounds concerns longer-term collective agreements; that is those of a duration of more than three years. Just over one-half of union respondents (54.0 per cent) reported that their union does not negotiate such agreements. Over three-fourths (78.9 per cent) of respondents also indicated that they do not have a policy on the negotiation of longer-term collective agreements. Among those unions that do have such a policy, there is a split between those unions that consider this policy unfavourable (41.7 per cent) and those unions that regard it as neither favourable nor unfavourable (54.2 per cent), i.e., that the negotiation of longer-term agreements depends on the circumstances. Of the thirty-one unions that indicated that they have a policy on this issue, only one was unambiguously in favour of such agreements. In other words, inasmuch as we observe a trend towards longer-term agreements in Canada, we can surmise that this is a response to particular environmental circumstances and/or employer policy positions in some industries because there does not appear to be a strong union policy impetus in this direction.

Table 2

Union Bargaining Policies and Approaches

		Always (%)	Sometimes (%)	Seldom (%)
Our union uses a formal mechanism for soliciting membership views on bargaining priorities	(n=119)	78.1	16.0	5.9
Our union fixes common bargaining objectives for its different bargaining units	(n=111)	57.6	19.8	22.5
Our union engages in coordinated bargaining with an employer with more than one bargaining unit	(n=110)	51.8	18.2	30.0
Our union negotiates pattern agreements with different employers in the same industry	(n=109)	38.5	22.9	38.5
Our union pursues a comprehensive workplace change policy	(n=112)	33.0	28.6	38.4

n = number of respondents

Bargaining Priorities

While unions report a wide range of bargaining priorities, some are clearly more important than others. We asked our respondents to attach a degree of priority to a list of items pursued in their major industry or sector during the last bargaining round (see Table 3).

In a first tier, by far the most important on the list of union priorities, are the protection and the improvement of wages and benefits. Nine out of ten respondents cited these two items as high or very high bargaining priorities during the last round.

A second tier of priorities concerns pensions, mechanisms for protecting and enhancing employment security and the protection of workers from the stresses of the workplace. Improved pensions and early retirement provisions were identified by six out of ten respondent unions as a high or very high priority. Among the employment security provisions identified as either high or very high priorities by more than 40 per cent of respondent unions, are restrictions on contracting-out and outsourcing (59.8 per cent), layoff protections (54.4 per cent) and improved training and retraining opportunities (45.7 per cent). Similarly, the control and regulation of workloads (53.8 per cent) and protection against harassment (44.3 per cent) were reported to be high or very high priority items by a significant proportion of respondents.

A third tier of priorities, identified as a high or very high priority during the last bargaining round by roughly one-third of unions includes a wide range of items concerned with the role of the union in the workplace (increased union role in workplace decision-making, consultation or advance notice of change), protection for workers in the context of change (better severance pay, technological change provisions, guarantees of minimum levels of employment, merger/amalgamation protections and protocols, better health and safety), easing time pressures on individual workers (improved working hours or shift schedules, family-related leaves), equity issues such employment equity and the strength of the union through the protection of pattern bargaining.

A fourth and last tier of priorities, identified as a high or very priority by less than a third of the unions participating in the survey, concerns questions of work time (restrictions on overtime, work time reduction and flextime), access to financial information in the workplace, the regulation of atypical employment and child care. Indeed, flextime (55.0 per cent), and day care or other child care provisions (59.6 per cent) were cited as areas of low priority for a majority of unions.

Table 3

Union Bargaining Priorities during the Last Bargaining Round

		High (%)	Moderate (%)	Low (%)
Increase wages and benefits	(n=117)	90.6	6.8	2.6
Protect current wages and benefits	(n=117)	88.9	5.1	6.0
Improved pensions and early retirement provisions	(n=115)	61.8	20.9	17.4
Restrict contracting-out/outsourcing	(n=112)	59.8	22.3	17.8
Layoff protections	(n=114)	54.4	22.8	22.8
Control or regulate workloads	(n=117)	53.8	31.6	14.6
Improved training and retraining opportunities	(n=114)	45.7	35.1	19.3
Protection against harassment	(n=113)	44.3	35.4	20.3
Improve working hours/shift schedules	(n=115)	40.0	33.0	27.0
Family related leaves	(n=113)	39.8	34.5	25.6
Increased union role in workplace decision-making	(n=116)	38.8	35.3	25.8
Better severance pay provisions	(n=112)	36.6	32.1	31.3
Employment equity	(n=112)	35.7	30.4	33.9
Consultation on/advance notice of organizational change	(n=111)	34.2	37.8	27.9
Technological change protections	(n=115)	33.9	30.4	35.7
Health and safety improvements	(n=115)	33.9	38.3	27.8
Guarantees of minimum levels of employment	(n=113)	33.6	34.5	31.9
Maintain or protect pattern bargaining	(n=102)	33.3	33.3	33.3
Merger/amalgamation protections and protocols	(n=106)	32.1	35.8	32.1
Restrictions on overtime	(n=107)	28.0	34.6	37.4
Access to financial information	(n=111)	25.2	31.5	43.2
Work time reduction	(n=114)	22.8	31.6	45.7
Control or regulate atypical employment	(n=103)	19.5	36.9	43.7
Flextime	(n=109)	12.0	33.0	55.0
Day care or other child care provisions	(n=109)	8.2	32.1	59.6

n = number of respondents

As a rule, unions where the key membership group is concentrated in the private sector tend to attach a higher priority to a whole range of bargaining items. For example, contracting-out is likely to be a very high priority in the private sector whereas it is more likely to be a modest priority in the public sector unions. Other items of higher prioritization in the private sector include improving working hours and shift schedules, work-time reduction, minimum levels of employment, health and safety improvements, technological change protections, improved training and retraining opportunities, layoff protections, better severance pay, restrictions on overtime and improved pensions, access to financial information and controlling and regulating atypical employment. In other words, unions in the private sector tend to score higher on the list of priorities and are more likely to list a wider range of items as high or very high priorities. This difference might also result from the more restricted bargaining environment in many public sector workplaces, in terms of what is attainable but also what is negotiable.

Degree of Bargaining Success

We asked respondents to evaluate the level of success achieved on their bargaining priorities (see Table 4). A majority of Canadian unions reported achieving a high or very high degree of success on their two key priorities: protecting wages and benefits (80.9 per cent) and increasing current wages and benefits (54.9 per cent). More than a third of unions also indicated achieving a high or very high degree of success on improved pensions and early retirement provisions (42.2 per cent) and restricting contracting-out and outsourcing (36.5 per cent). Otherwise, less than a third of unions reported comparable degrees of success on all other items. More typically, unions were able to report a moderate to high degree of success on the majority of items listed. However, it appears that only very limited success was achieved on controlling or regulating atypical employment (45.7 per cent indicate a low degree of success), day care or other child care provisions (54.6 per cent) and reductions in working time (50.4 per cent). Despite

Table 4

Degree of Union Bargaining Success during the Last Bargaining Round

		High (%)	Moderate (%)	Low (%)
Protect current wages and benefits	(n=110)	80.9	16.4	2.7
Increase wages and benefits	(n=111)	54.9	32.4	12.6
Improved pensions and early retirement provisions	(n=109)	42.2	30.3	27.5
Protection against harassment	(n=104)	36.5	42.3	21.2
Restrict contracting-out/outsourcing	(n=106)	32.1	52.8	15.0
Maintain or protect pattern bargaining	(n= 91)	30.8	37.4	31.9
Family related leaves	(n=106)	28.3	41.5	30.2
Layoff protections	(n=106)	28.3	49.1	22.6
Better severance pay provisions	(n=101)	25.8	41.6	32.7
Improved training and retraining opportunities	(n=109)	24.7	43.1	32.1
Health and safety improvements	(n=108)	24.1	44.4	31.5
Employment equity	(n=104)	23.1	43.4	33.7
Merger/amalgamation protections and protocols	(n= 97)	20.7	47.4	32.0
Control or regulate workloads	(n=111)	19.8	50.5	29.7
Technological change protections	(n=107)	18.7	47.7	33.6
Consultation on/advance notice of organizational change	(n=100)	18.0	52.0	30.0
Guarantees of minimum levels of employment	(n=106)	17.0	42.5	40.5
Increased union role in workplace decision-making	(n=108)	15.8	49.1	35.2
Improve working hours/shift schedules	(n=108)	14.9	53.7	31.5
Flextime	(n= 98)	14.3	45.9	39.8
Control or regulate atypical employment	(n= 92)	12.0	42.4	45.7
Work time reduction	(n=107)	11.2	38.3	50.4
Access to financial information	(n=101)	10.9	40.6	68.5
Restrictions on overtime	(n= 96)	10.5	47.9	41.7
Day care or other child care provisions	(n= 96)	4.0	41.4	54.6

n = number of respondents

the relative success achieved on some of these items, and they did tend to be higher priorities, the largest percentage point gaps between the degree of priority and the degree of success achieved concern increases in wages and benefits (a 34.0 percentage point gap), restricting contracting-out or outsourcing (23.3 percentage points), controlling or regulating workloads (23.0 percentage points) and layoff protections (22.3 percentage points), increasing the union role in workplace decision-making (19.7 percentage points) and improving pensions and early retirement provisions (19.6 percentage points). This suggests that even though a considerable degree of success was achieved in the last bargaining round on many of these high priority items, the ability of unions to achieve success on such items is both contested by employers and can fall short of their bargaining aspirations. On the other hand, despite the adverse environmental pressures, unions overall did appear to register a fairly high degree of success in protecting current wages and benefits (only an 8.0 point percentage gap).

If quite a number of items seemed to rate a higher degree of priority in the private sector, so too private sector negotiators reported being able to achieve a higher degree of success. Thus, a significantly higher degree of success was achieved in the private sector on the following issues: controlling or regulating workloads, improving training and retraining opportunities, consultation or advance notice of organizational change, technological change provisions and health and safety improvements. On no item was there a significant difference in favour of success achieved in the public sector. In other words, not only does the bargaining environment in the public sector appear more onerous but this is clearly reflected in the low degree of success reported by key union staffers and officers negotiating in the public sector in meeting their bargaining objectives.

Table 5 presents an overview of the relative degree of bargaining priority and bargaining success in the unions located mainly in the public sector and those located mainly in the private sector. Overall, we can once again see that the private sector respondents tended to place a higher degree of priority on a larger number of bargaining items and also report a somewhat higher degree of success on a few of these items. When testing for statistically significant differences between public and private sector bargaining environments, three patterns emerge from the results reported in Table 5. First, and undoubtedly most importantly, although there are a substantial number of items that are a higher priority for private sector negotiators, they do not report a significantly higher degree of success than their public sector counterparts. These items include restrictions on contracting-out, improvements in work hours or shift schedules, minimum levels of employment, reductions in work hours, layoff protections, better severance pay, improvements in pensions and early retirement provisions and access to financial information. However, secondly, there are in fact some items that are a higher priority for private sector negotiators and on which they also report a significantly higher degree of success than their public sector counterparts. These items include core issues in workplace bargaining over the control of the pace of work and include regulating workloads, improving training, technological change protections and improvements in health and safety. Finally, although consultation on organizational change was not a significantly higher priority for unions in the private sector, they did report a significantly higher degree of success on this item than unions in the public sector.

Although more detailed analysis is required in order to disentangle the relative effects of the degree of priority as opposed to industry environment on relative bargaining success, several preliminary conclusions emerge from this analysis. First, unions in both public and private sectors have placed a high priority on protecting and increasing wages and they report a very high degree of success on the first of these items and a high degree of success on the latter, irrespective of the sector in which they are located. Second, the analysis of the remaining items underscores that the public sector bargaining environment remains a difficult one as public sector unions report a modest degree of success on a more limited range of bargaining priorities. Third, on a few items at least, private sector negotiators appear to attach a higher priority and to register a significantly higher degree of success than their public sector counterparts. However, fourth, and this also indicates that the private sector bargaining environment is a difficult one, on a large number of items, even though private sector negotiators attach a higher degree of priority to these items, they do not report significantly different results from those obtained in the public sector. These results no doubt translate the apparently greater pressures on union bargaining power in the last bargaining round.

Table 5

Comparative Overview of Union Bargaining Priorities and Successes in Public and Private Sectors during the Last Bargaining Round

	Degree of Bargaining Priority		Degree of Bargaining Success	
	Public Sector	Private Sector	Public Sector	Private Sector
Very High	Increase wages, protect wages	Protect wages, increase wages, improve pensions, restrict contracting-out	Protect wages	Protect wages
High	Regulate workloads	Layoff protections, improve training, health and safety improvements, technological change protections, better severance pay	Increase wages	Increase wages
Modest	Improve pensions, restrict contracting-out, protections against harassment, layoff protections, family leave, improve training, improve working hours/shifts, increase union role in workplace decision-making	Improve working hours/shifts, regulate workloads, protections against harassment, restrictions on overtime, increase union role in workplace decision-making, minimum levels of employment, work time reduction, consultation on organizational change, maintain pattern bargaining, merger protections, employment equity	Protections against harassment, improve pensions, restrict contracting-out, layoff protections, maintain pattern bargaining	Improve pensions, restrict contracting-out, improve health and safety, improve training, technological change protections, protections against harassment, consultation on organizational change, regulate workloads, layoff protections, better severance pay
Low	Consultation on organizational change, employment equity, minimum levels of employment, better severance pay, merger protections, maintain pattern bargaining, improve health and safety, restrictions on overtime, technological change protections	Access to financial information, family leave, regulate atypical employment	Family leave, regulate workloads, improve working hours/shifts, better severance pay, merger protections, improve training, consultation on organizational change, employment equity, increase union role in workplace decision-making, improve health and safety, minimum levels of employment, flextime, restrictions on overtime	Maintain pattern bargaining, family leave, increase union role in workplace decision-making, employment equity, regulate atypical employment, improve working hours/shifts, merger protections, flextime, restrictions on overtime, work time reduction, minimum levels of employment, access to financial information
Very Low	Access to financial information, work time reduction, regulate atypical employment, flextime, child care	Flextime, child care	Technological change protections, work time reduction, regulate atypical employment, access to financial information, child care	Child care

Factors Explaining the Degree of Bargaining Success

Unions were also asked to identify the relative importance of various factors in explaining the degree of success (see Table 6) in their bargaining objectives during the last round of negotiation. The most important factors cited by a majority of unions included: the specific economic environment in the industry (considered to be important or extremely important by 69.0 per cent of respondents), union policy on major bargaining objectives (60.3 per cent), bargaining outcomes elsewhere in the industry (60.0 per cent), legislation or public policy (59.8 per cent), the employer's financial situation (57.7 per cent), members' willingness to take action on major bargaining objectives (56.8 per cent), employer attitudes (54.2 per cent) and the union's ability to coordinate bargaining objectives between different units in the industry (51.3 per cent).

It is clear, however, that the imperatives of bargaining success in the public and private sectors seem to be somewhat different. In particular, the specific economic environment and the union's ability to coordinate bargaining objectives between different units is significantly more important in the private sector, whereas legislation and public policy are significantly more important in explaining public sector successes. Indeed, although many of the same factors appear to explain success in the two sectors, the first four factors identified by public sector respondents are legislation and/or public policy, the specific economic environment, members' willingness to take action and union bargaining policy. In contrast, private sector respondents identify the specific economic environment, union policy, the employer's financial situation and the union's ability to coordinate bargaining objectives between different units. Following on the results of this very preliminary analysis, and given that unions can probably have little impact on the specific economic environment, we might anticipate that public sector unions would be more likely to focus on political action linked to public policy, the willingness of their members to take action and union bargaining policy. In turn, private sector unions would be more concerned with union bargaining policy and their ability to coordinate objectives between different bargaining units as well as the financial situation of their particular employer.

Table 6

Factors Explaining the Degree of Union Bargaining Success

		Very Important (%)	Moderately Important (%)	Not Important (%)
The specific economic environment in the industry	(n=116)	69.0	25.0	6.0
Your union's policy on your major bargaining objectives	(n=116)	60.3	27.6	12.0
Bargaining outcomes elsewhere in the industry	(n=115)	60.0	27.8	12.2
Legislation or public policy	(n=117)	59.8	22.2	17.9
Employer's financial situation	(n=118)	57.7	28.8	13.6
Your members' willingness to take action on your major objectives	(n=118)	56.8	28.8	14.4
Employer attitudes	(n=118)	54.2	32.2	13.5
Your union's ability to coordinate bargaining objectives between different units in your industry	(n=113)	51.3	27.4	21.2
Employer's bargaining priorities	(n=117)	45.3	36.8	18.0
The bargaining structure in your major sector	(n=116)	44.8	36.2	19.0
Bargaining outcomes elsewhere in other industries	(n=115)	25.2	35.7	39.1

n = number of respondents

Conclusion

The results of the 2000 Human Resources Development Canada Survey of Labour Organizations in Canada reported in this article clearly demonstrate that unions continue to face difficult challenges at the bargaining table. On the one hand, they are faced with finding an appropriate balance between defensive and proactive strategies to meet the diverse expectations of their members. On the other hand, when they seek to be proactive rather than reactive in their bargaining approaches and priorities, as many Canadian unions are attempting to do, they encounter significant hurdles in meeting their bargaining objectives. Irrespective of the sector in which they are located, union respondents indicate that they have attached a high or very high degree of priority to protecting and increasing wages over the last bargaining round and they appear to have met considerable success in this objective. On the whole, despite their relative importance in union bargaining agenda, most other issues have met with more modest or even a low degree of success. The bargaining environment is particularly onerous for public sector unions where unions face strong employer resistance and where union bargaining power is weak due to successive rounds of fiscal restraints and a public policy shift towards privatization and contracting-out. Apparently, adaptations and adjustments to change in the internal and external environment are not easy in an adversarial institutional framework where one of the parties is likely to exercise any advantage in their relative balance of power to pursue basic bargaining and other organizational objectives.

Coming in the Next Issue!

More details from the 2000 HRDC Survey on Innovation and Change in Labour Organizations in Canada will be reported.

CONSIDERING LABOUR-MANAGEMENT RELATIONS ISSUES: ARE THE VIEWS OF UNIONS AND EMPLOYERS ALL THAT DIFFERENT?

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"Government 1, health unions 1."[1] This headline on the front page of the Halifax Chronicle-Herald and Mail-Star summarized the outcome of two arbitration cases involving the provincial government and health care workers in the province. The first sentence of the article described the issue: "Nova Scotia's registered nurses have won a wage battle with the Hamm government, but other health care workers lost in an arbitrator's decision released Monday (August 13, 2001)." Why didn't the parties simply work together during the collective bargaining process and reach an agreement that met both their interests?

Over the past several decades, there have been continued calls for increased co-operation between labour and management. Furthermore, there is a substantial interest in interest-based or mutual gains bargaining as an alternative to the traditional bargaining process. However, a number of labour relations practitioners on both the employer and union side believe that the process of collective bargaining is one of conflict, and thus traditional adversarial bargaining is unlikely to disappear. Over the past number of years, I have been surveying and talking to employers and unions about industrial relations issues. In this article, I briefly summarize some of the literature related to labour-management co-operation and present the highlights of my research findings on the perceptions of management and union officials concerning labour relations.

Conflict or Co-operation?

Our industrial relations system has remained relatively unchanged over the past half century and is still relatively adversarial in nature. As Adams (1995) argues, adversarial industrial relations systems do not perform as well as systems based on a social partnership. Adams also observes that the *Wagner Act* model requires that workers take the initiative in establishing collective bargaining relationships while knowing that many employers are opposed to unions. Consequently, even with a successful organizing drive, the beginning of the new union-management relationship is already characterized by conflict and adversarialism (Adams, 2000).

Godard (2000) has identified two sources of conflict in labour-management relations. "Underlying sources of conflict" are those that exist as a result of the labour-management relationship in capitalist economies, while "contextual sources of conflict" are those that tend to vary depending on the organization, region, industry or country involved.

The underlying sources of conflict include:

- legal alienation (that is, most workers are not self-employed and thus they have relatively little input into the means and process of doing their work, the product or output of their labour, and the proceeds of their work);
- objective interest conflicts (in other words, employers have an interest in paying less for labour and maximizing productivity and efficiency, while employees have an interest in maximizing pay and benefits while reducing the amount of work they do);
- the nature of the employment relationship (workers generally have limited rights to participate in management and thus are subordinate to management; even in trusting relationships, employees may perceive that employer decisions are ultimately governed by the interests of owners); and

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[1] *Halifax Mail-Star*, Tuesday, August 14, 2001, p. 1.

- the nature of the employment contract (the employment contract is both complex and ambiguous and thus there is considerable opportunity for disagreement concerning the employment relationship).

Contextual sources of conflict include:

- broader social inequalities (such as job loss and violation of the expectation of growing affluence for the society);
- labour market experience (such as unemployment and workplace safety issues); and
- the nature of the work itself (for example, the deskilling and intensification of work, job stress and work fatigue).

With regard to labour-management co-operation, Godard (2000) points out that co-operation may be obtained by "coercion" or "consent." In some instances, workers feel that they have no choice but to co-operate if they wish to earn a living or keep their job. In other cases, workers consent to co-operate, and good employers are able to earn the trust and commitment of the workforce.

There has been considerable attention on mutual gains or "win-win" bargaining (Kochan and Osterman, 1994; Cutcher-Gershenfeld, Power and McCabe-Power, 1996), but the reality is that the collective bargaining process is often characterized by conflict and an adversarial approach to negotiation (Godard, 2000). While there is evidence that unions can play a major role in the implementation of workplace change (Cooke, 1992), the literature underscores the importance of a long-term commitment on the part of both labour and management and the establishment of a relationship of trust and openness. However, as Godard and Delaney (2000) observe, the trust and co-operation necessary to ensure the survival and success of joint labour-management initiatives may be difficult to achieve. Once achieved, they may be extremely fragile and difficult to maintain.

According to Wells (1997), it is often difficult to secure the level of trust needed to ensure the success of involvement programs. For unions, greater worker control over the labour process, a meaningful say in issues relating to labour process change, and clear standards for employee representatives are important. Moreover, some of the "high-involvement work practices" fly in the face of traditional union values. In addition, the effect of such practices on employees is open to considerable debate, and many union leaders are sceptical about the effect of high-involvement practices on members (Godard and Delaney, 2000; Osterman, 2000).

The Co-operation: Movement and the Dilemma of Co-operation

The Canadian Labour and Business Centre (2000) notes that the relationship between union and management has important impacts on the economic and social well-being of Canadians and the performance of organizations in Canada. In its study, the Centre found that unions expressed more negative views than management on most labour-management relations issues, including the current state of labour relations, changes in the relationship over the past two years, expected changes over the next two years, and the association between labour-management relations and economic performance.

Proponents of labour-management co-operation point to several advantages for both management and unions. Advantages for employers generally include access to the intellectual capacity of the workforce, smoother transitions when cost cutting is required, enhanced organizational performance, improved relationships that will foster teamwork and problem solving, greater productivity, retention and attraction of skilled employees, and commitment and trust by workers. Advantages for labour typically include greater economic security, access to information and a greater role in decision-making, more participation in the change management process, support for displaced workers, and more input into resolving problems at work (CLMPC, 1997).

As noted by the Canadian Labour Market and Productivity Centre, it is critical that both labour and management see the need for change, recognize the costs and benefits to both parties, have leaders committed to the change process, and have a relationship that is strong enough to support the process. It is essential that both sides recognize the legitimacy of the other party, have sufficient mutual trust to enter into a joint process, and be comfortable with that process. Moreover, both sides must be willing to share information, and resources must be available to support the change process.

However, co-operation between labour and management may present a dilemma for unions (Peetz, 1996). On the one hand, it can be asserted that unions will survive only if they embrace the concept of co-operation with management. On the other hand, co-operation with management is seen as a recipe for self-destruction, as both potential and existing union members expect that the union will stand up and fight for their rights. By way of example, does giving employees more control over their work represent a gain from the union perspective, or will it detach workers from the union and ultimately hand control to employers? Are employers seeking to involve employees as a means of bypassing union representation?

Union and Employer Views on Labour-Management Issues

During the 1997–1998 period, union officials and employers were surveyed concerning a broad range of human resource management and industrial relations issues. Note that the responses presented in this paper are not matched,[2] and the questionnaires to employers and union officials were not identical. Employers were asked to respond to the questions with respect to their largest bargaining unit (if more than one unit was present at the workplace). While the surveys dealt with a variety of issues, the focus of this paper is to compare employer and union views concerning the importance of the human resources of the organization, employee involvement in new-technology decisions, the labour climate and support for co-operative programs.

The Importance of the Organization's People

We frequently hear senior managers assert that "our people are our most important asset." In order to get some overall measure of how unions and employers perceive the importance of the human resources within the organization, respondents were asked to indicate their level of agreement (1 = strongly disagree; 6 = strongly agree) with the statement "the organization supports the position that its people are its most important asset." The overall average for union respondents was 3.10 (on the six-point scale), while the mean score for employer participants was 4.86. Further breakdown of the results is provided in Figure 1, which shows a noticeable difference of opinion between union and employer respondents concerning the importance of people in the organization. Approximately 91 per cent of employer respondents expressed some level of agreement with the statement that people are the organization's most important asset (a score of 4 or higher), compared with only 40 per cent of union officials. In short, while there are variations in perception, the overall results indicate that from the perspective of organized labour, a number of organizations do not view employees as their most important asset.

Ideology and Labour-Management Climate

Work by Goll (1991) indicated that the decision-making ideology of the employer in unionized organizations was associated with the presence of employee involvement programs, while Osterman (1994) found that the presence of flexible work practices was related to managerial values. Both the employer and union surveys had a three-item scale addressing decision-making ideology, with each item measured using a six-point scale (1 = strong disagreement and 6 = strong agreement with the statement). The three items addressed whether the employer used participative decision-making, whether open channels of communication were present, and whether the employer explained proposed changes to those affected by them. Cronbach's coefficient alpha was .80 for the employer sample and .88 for the union sample.

As indicated in Figure 2, the average score for employer respondents on the decision-making ideology scale was 4.44 (out of a maximum score of 6), while the mean union score was only 2.97. Further analysis indicated that only 12 per cent of employers had a score of 3.50 or less (compared with 66 per cent of the union officials). Furthermore, 37 per cent of employer respondents had a mean score of 5.00 or greater (compared with only 8 per cent of union participants). Although the two samples are not matched, the pattern of results suggests noticeable differences between the parties in terms of their perceptions of decision-making ideology, with union respondents tending to be considerably less positive in their assessment.

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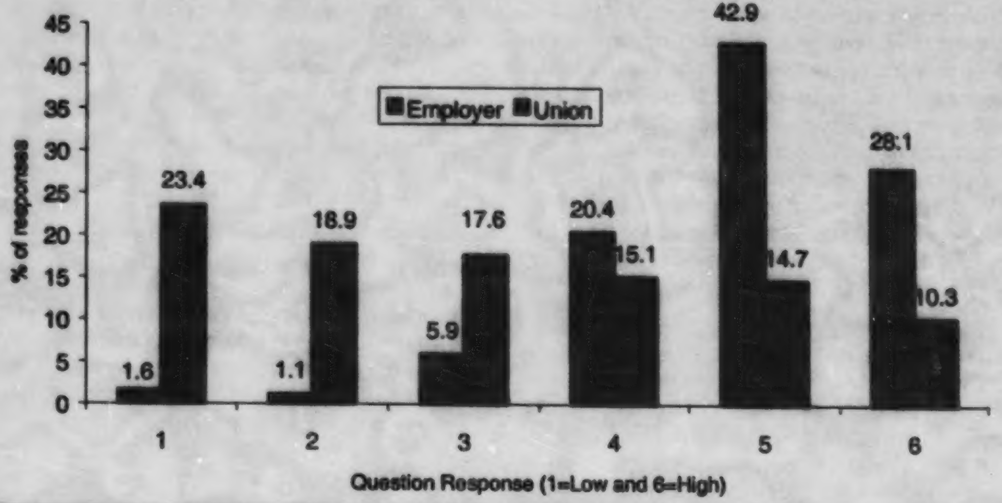
[2] The union and employer responses do not necessarily come from the same organization. In other words, I may have a response from an employer but not from the union present at that workplace, or a union response but not an employer response.

Figure 1

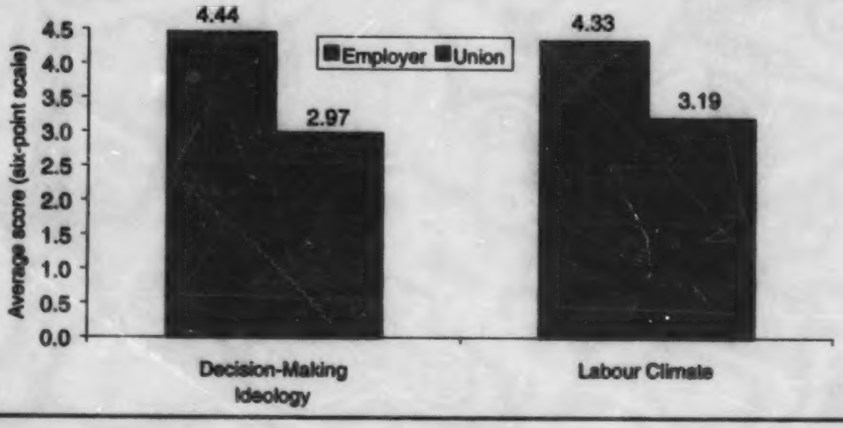
Importance of Human Resources



A second set of questions examined the labour-management climate using six items adapted from Dastmalchian, Blyton and Adamson (1991). Again, each of the six questions was measured on a six-point scale (1 = strong disagreement and 6 = strong agreement with the statement). The six items were: grievances are normally settled promptly, negotiations take place in an atmosphere of good faith, employees view the conditions of employment as fair, union and management make sincere efforts to solve problems, management seeks union input before initiating changes, and the parties exchange information freely. The Cronbach's coefficient alpha was .85 for the employer sample and .89 for the union sample. Previous research has indicated that the labour-management climate may be associated with a number of employer and union outcomes (Wagar, 1997).

Figure 2

Ideology and Labour-Management Climate



Similar to the results for progressive decision-making ideology, the findings relating to labour-management climate (also contained in Figure 2) show major differences in the perceptions of employers and union officials. For example, the average employer score was 4.33, while the mean union score was only 3.19. Only 18 per cent of employer participants had a score of 3.50 or less (compared with 65 per cent of union participants), and 24 per cent of employers had an overall score of 5.00 or greater (compared with only 9 per cent of union officials). When considering the specific items comprising the scale, the biggest gap was for the statement that management seeks union input before initiating changes. The average employer score was 4.27, while the average union score was 2.72, for a gap of 1.55.

The parties were also asked to indicate, using a six-point scale, their level of agreement with the statement that the parties have respect for each other's goals. The average scores were 4.11 for employer respondents and 3.21 for union respondents. In other words, managers tended to perceive a moderate level of respect for each other's goals, while unions were less optimistic in their assessment.

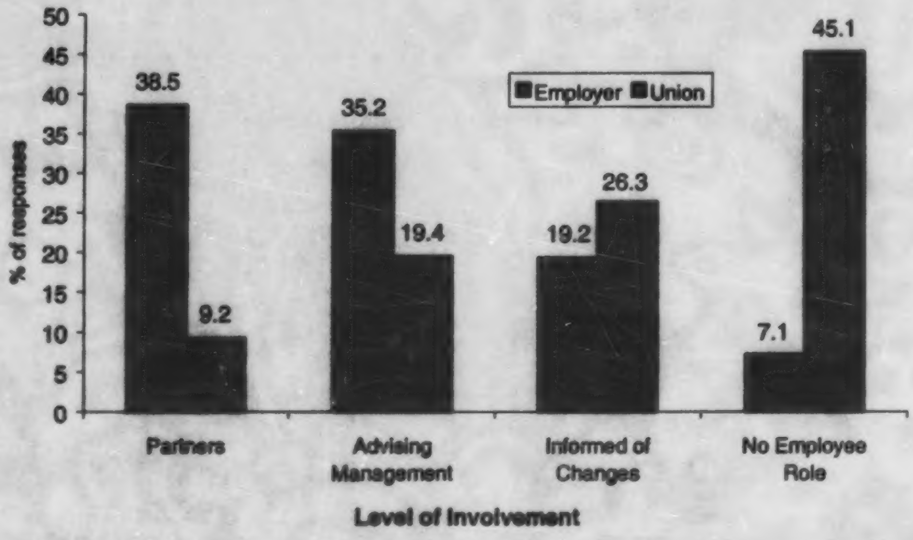
Two additional questions, which were included only in the union survey, measured participants' level of agreement with the statements that the union has a lot of trust in management's ability to manage the organization, and the employer treats the union as having a legitimate right to represent employees. For the first question, the mean score was 2.49, while the average for the second question was 3.70. In short, while unions were somewhat optimistic concerning employer views about their right to represent employees, they reported low levels of trust in the employer's ability to manage (with 77 per cent having a score of 3.50 or less).

Managing New Technology

A major issue in the implementation of new technology revolves around the involvement of employees in the decision-making process. In the surveys, participants were asked to choose one of four options addressing the participation of bargaining unit employees in decisions relating to technological change. As noted in Figure 3, employer and union respondents varied markedly in their perceptions concerning employee involvement in such decisions.

Figure 3

Involvement in Technology Decisions



First consider the responses from local union officials; only 9 per cent of the respondents indicated that bargaining employees are considered partners in the decision-making process, and a further 19 per cent reported that employees are limited to advising management of their concerns relating to technology. About 26 per cent of unionists indicated that bargaining unit employees are simply informed in advance of changes to be made, and 45 per cent perceived that employees have no role in the decision-making process as it relates to technological change. In brief, these findings suggest that union officials generally believe that employers do little to involve unionized workers in technology decisions.

Employer responses were quite different. Almost 39 per cent of employers indicated that employees are considered partners in the decision-making process, 35 per cent reported that employees only advise management of their concerns relating to technological change, 19 per cent indicated that employees are only informed in advance of technological change, while only 7 per cent perceived that employees are not involved in the decision-making process.

Support for Co-operative Programs

To what extent do employers and unions support co-operative programs? In both surveys, the respondents were asked to consider four parties (local union leaders, local union members, supervisors, and upper management) and to indicate the support of each of them for joint labour-management co-operation programs (1 = no support; 6 = strong support). The results from this set of questions are provided in Figure 4.

When considering local union leaders' support for co-operative programs, both employer and union participants indicated a modest level of support (average scores were 4.04 and 4.15 respectively). The parties were more likely to differ when considering the support for co-operative programs among the other groups; employers were consistently more likely to perceive that the party in question was supportive of co-operative programs. For example, employer respondents, on average, indicated somewhat high support for co-operative programs on the part of upper management (average score of 4.44), while union officials did not perceive upper management as strongly supporting co-operative programs (average score of 3.24).

Three additional questions that were included only on the union survey addressed other aspects of labour-management co-operation. These findings are summarized in Table 1. When considering the statement that "management views co-operative programs as a way to reduce union power," the average score was 3.48; interestingly, 50 per cent of union officials expressed

Figure 4

Support for Co-operative Programs

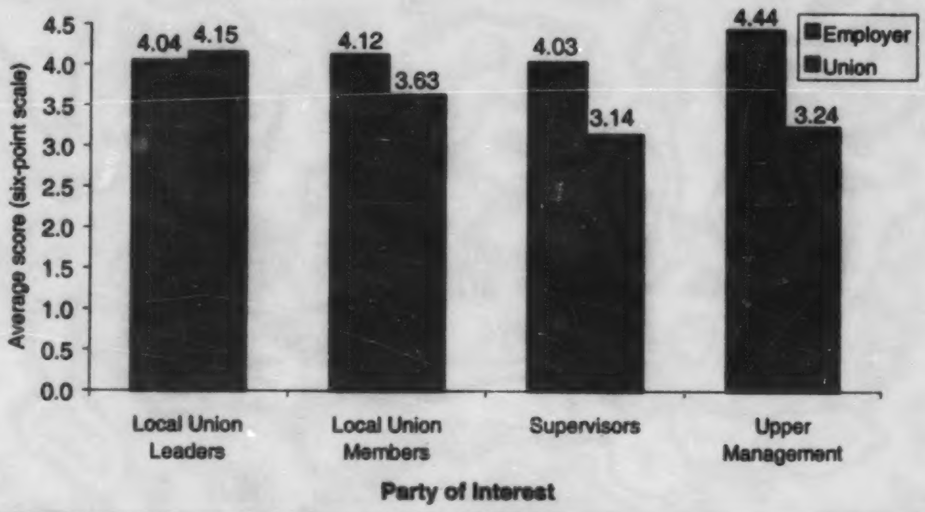


Table 1

Unions and Labour Management Co-operation

Statement About Labour-Management Co-operation	Average Response
Management views co-operative programs as a way to reduce union power	3.48
Interests of the employer and union are in conflict	3.51
Co-operative programs threaten the union's existence	2.88

some level of agreement with the statement (score of 4 or greater), while 50 per cent disagreed with the statement. The mean score for the statement that "the interests of the employer and union are in conflict" was 3.51, with 48 per cent of union officials expressing some level of agreement with the statement. Overall, there was less support for the statement that "co-operative programs threaten the union's existence" (mean score of 2.88, with 33 per cent of union officials expressing some agreement with the statement).

The Learning Organization

In light of the current focus on the learning organization, union officials were also asked a series of questions relating to this topic. Five of these questions provide additional insight into union views of the employment relationship. Again, each of the questions was measured on a six-point scale (1 = strongly disagree and 6 = strongly agree). The results are presented in Table 2. The average responses for four of the five questions were below 3.50 (the scale midpoint). For all but the first question, the majority of union officials expressed some level of disagreement with the statement (score of 3 or less). By way of example, 77 per cent of union officials disagreed with the statement that the organization supports bargaining unit members who try new things and take calculated risks, while 67 per cent did not agree that the organization cherishes the diversity of the perspectives and competencies of bargaining unit employees. Although employers may perceive that they are working with

Table 2

Unions and the Learning Organization

Statement About Learning Organization	Average Response
New ideas and suggestions are regularly made by bargaining unit employees	3.55
Organization is committed to the education and development of its bargaining unit employees	3.14
Organization supports bargaining unit members who try new things and take calculated risks	2.52
Organization makes information accessible to bargaining unit employees and facilitates an atmosphere of open communication	3.19
Organization cherishes the diversity of the perspectives and competencies of bargaining unit employees	2.95

organized labour and embracing the concept of a "learning" organization, the empirical results from union officials do not support this optimism.

Two additional questions addressed the extent of union involvement in the organization's strategic planning process and the level of understanding of the organization's mission. The results indicated that union involvement in the organization's strategic planning process is low (average score of 2.40 on a six-point scale, where 1 = low involvement and 6 = a lot of involvement). About 79 per cent of union officials indicated a relatively low level of involvement in strategic planning (score of 3 or less). Similarly, many union officials reported that the organization did not have a clear strategic mission that was well understood by bargaining unit members (average score of 2.80 on the six-point scale). More than two-thirds (72 per cent) of union officials scored this statement at 3 or less.

Conclusion

Are the views of employers and union officials all that different? Although this paper presents only descriptive results based on survey responses, the findings suggest that on a number of industrial relations issues, the perceptions of labour and management vary noticeably. For instance, union leaders are more likely to believe that the employer does not see the people in the organization as its most important asset. Moreover, union leaders are much less optimistic when considering decision-making ideology, labour climate and employee involvement in new-technology decisions. Furthermore, union leaders see only modest support for co-operative programs on the part of supervisors and upper management.

In a recent article, United Food and Commercial Workers International Union Director Michael Fraser expressed some of the concerns about labour-management co-operation from the union perspective. He noted that "if a less adversarial approach would enable us to achieve better collective agreements for our members, then of course that would be our objective. It has been our experience, however, that most employers only become less adversarial and talk about cooperation when they want something that will benefit them" (Fraser, 2001).

Does this mean that labour-management co-operation programs are doomed to failure? No, but an employer and union embarking on a program of co-operation have many hurdles to overcome. The survey responses from local union officials indicate that, on average, unionists do not see the labour relations environment in as positive a light as do employer representatives. However, some union-management relationships are not adversarial and the parties have had considerable success with co-operative efforts. Still, many union-management relationships lack the trust, openness and long-term commitment necessary to successfully implement and sustain co-operative programs, and it appears that even successful joint labour-management initiatives may be fragile

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The Employment Equity Merit Awards will be presented in early 2002. Watch for an article listing the winners of the Vision Award and Certificates of Merit.

THE INFLUENCE OF EMPLOYEE INVOLVEMENT ON PRODUCTIVITY: A REVIEW OF RESEARCH

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In recent years, it has become a central tenet of management to involve workers in more of the decisions concerning their work. The research review[1] *analyzes this development and assesses what we know about its impact on productivity.*

There are at least two reasons for looking at this connection between employee involvement and productivity. First, major innovations in the management of labour have occurred in recent decades. Second, while previous generations of work reforms were instigated to improve the quality of working life, the current generation is more openly driven by objectives of productivity and economic performance. In this context, an ongoing stream of research seeks to establish the extent to which employee involvement really contributes to workplace productivity.

Employee Involvement and Productivity: How and Why this Connection Matters

Social scientists who are interested in looking into the "black box of production" like to stress that the process of production is relatively autonomous from the workings of the economy as a whole. This means that the transformation process that occurs at the point of production is conditioned very much by the structures and institutions of the wider society, but that local actors still have a great deal of autonomy, which will determine whether the workplace is innovative and efficient. Much depends on the social arrangements they are able to construct.

The starting point in studying the link between workplace relations and productivity is the indeterminate, or open-ended, nature of the employment relationship. While compensation and general working conditions are agreed in some way at the time of employment, the employee's actual contribution, in terms of volume and quality of output, remains largely unspecified. Much depends on employees' willingness to invest their skills and know-how in the production process. In turn, such commitment is built on organizational arrangements, well-accepted working conditions and co-operative relations more generally. In short, employee involvement is crucial because, to a large extent, effort remains discretionary. The term "employee involvement" refers to the various means and processes by which workers take part in decisions concerning the use of their skills and resources in the production process.

This indeterminacy of the "level of effort" is neither a mere technical problem, nor a matter of measurement that can be resolved by the application of industrial engineering principles. Of course, Frederick W. Taylor's objective was to reduce uncertainty in this regard by reinforcing management control and taking away what he saw as excessive autonomy on the part of labour. Henry Ford also had this problem in mind when he first introduced the moving assembly line in Detroit in 1913. But addressing the problem and solving it are two different matters.

In spite of such advances in the rationalization of work, the question of the "effort bargain," that is, the social arrangement regarding the "normal" or "fair" contribution expected for a given wage, remained on the agenda throughout the 20th century. A key factor that makes the determination of output levels a complex matter is that the conversion of mental and physical resources into productive activities occurs in the context of an employment relationship characterized by relations of subordination—a notion that has economic, social and legal dimensions. Indeed, the division between management and labour was institutionalized in a very clear way in the labour laws defined in the United States and Canada as part of the New Deal social compromise (Sabel, 1997).

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[1] This article is a summary of a research conducted under the auspices of the Applied Research Branch of Strategic Policy, Human Resources Development Canada. The full version of the document, Paper R-00-4E, Jacques Bélanger, 2000, can be viewed at http://www.hrdc-drhc.gc.ca/arb under "WHAT'S NEW."

Productivity levels are influenced by this structural division between management and labour. The willingness of workers to "give their very best" is conditioned by this characteristic feature of the employment relationship, which means that workers do not have control over the organization of their work and do not necessarily receive more wage compensation, at least in the short term, if they produce more. This makes motivation a considerable problem. From the 1940s, Georges Friedmann, the leading figure in the development of the sociology of work in France, insisted that this social dividing line between management and subordinates was at the origin of alienation and non-cooperation.

In spite of the structural division just described, social scientists carrying out field research at the point of production observe much more co-operation than conflict. The development of a modus vivendi is necessary if the production system is to be efficient enough to produce value added and ensure the continuation of the employment relationship in the context of market competition. There is no doubt that, independently of technological evolution, co-operation is crucial if acceptable levels of productivity growth are to be generated at the point of production.

Thus, if we examine the "human side" of the organization, it is evident that success depends not only on skills and know-how, but also on the shared will to use these. This is the basis of the distinction between human capital and social capital. The latter is portrayed by Fukuyama as "a capability that arises from the prevalence of trust in a society or in certain parts of it" (1995: 26) and that greatly influences the relative success of national economies. The notion of trust, which refers to an expectation of reliability in the pursuit of relations, has to do with the sharing of norms and values. Although trust has to do with the culture of the wider society, it is also greatly conditioned by social arrangements at the micro level.

Paradoxically, trust can develop further between management and labour once they have acknowledged their different interests. This makes it possible to consider fruitful arrangements that are based on the distinct rationales of management and labour but that also offer prospects for competing successfully over time. This is the essence of joint regulation (Bélanger and Thuderoz, 1998).

Interestingly, the indeterminate duration of the employment contract, which often extends over long periods, helps foster trust and co-operation, whereas short-term contracts give rise to more opportunistic behaviour. When studying the social foundation of productive behaviour, it is important not only to think of productivity in the short term but also to consider the capacity of a given production unit (and of the economy as a whole) to renew the skills and resources for innovation over time.

The above analysis suggests that the effects of workplace relations on productivity are largely underestimated in the academic literature.[2] Too much discussion is based on the false assumption that one hour of work simply corresponds to one hour of production. In reality, unless work is made routine by a technical device such as a conveyor belt or assembly line,[3] the conversion of labour power is quite variable. Our observation in a factory located in Quebec, where production levels had stabilized at a high level and profitability was high, illustrates these complex issues. The practice of early finishing was well established and accepted as part of the social convention between management and unionized labour. Indeed, it was instrumental in generating consent and co-operation at work (Bélanger, 1989). Both in theory and in practice, a variable reserve of productivity is built into any system of production, and productivity depends on a complex set of technical and social factors. The point is that the actual level of productivity per employee is not the maximum level possible. A social compromise has to be established in any workplace about the actual level of output. Indeed, industrial sociology shows that any attempt by management to completely eliminate the reserve of productivity is likely to fail and be counterproductive. It is nevertheless widely accepted that in the current phase of globalization and competitive pressure, such reserves have been shrinking. This has been achieved mostly by increasing the proportion of working time actually devoted to productive activities.

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[2] Although we use the term productivity in the sense of labour productivity, that is, an amount of output produced per unit of labour input, it follows from our analysis that it would be difficult to establish a measure that reflects the impact of labour as distinct from other factors of production. In fact, productivity measures provide a useful indication of the extent to which labour performs in transforming the various resources and factors of production. It follows that an increase in capital intensity does not reduce the importance of labour co-operation on productivity; in most cases, it only makes it more crucial.

[3] In such a case, the pace of the assembly line will nevertheless be influenced by "social forces." But it is more important to recall that the prevalence of such a technical device is exaggerated. On the basis of a major national survey covering all sectors of employment in Britain, Duncan Gallie and his colleagues stress "how exceptional it is for individuals to be controlled by a machine-paced or assembly-line system. Only six per cent of employees said a machine or assembly line was important for their work effort, and only four per cent for their work quality" (1998: 65; their emphasis).

In almost every workplace, there is a standard or norm with regard to the expected performance on a given job. This has been well documented in the industrial sociology literature. Although norms may be only indicative, in many workplaces they are known by all participants and correspond to the actual output on a given job. In spite of Taylor's influence, these norms (which usually relate to daily production in the manufacturing environment) often have more to do with custom and practice than with sophisticated work study. What is changing, though, is the nature of work as we move from a manufacturing-based to a "knowledge-based" economy. The evolution toward more abstract labour, not only in the sectors most closely associated with information technology, has many implications for the way management can monitor the use of labour power. As Peter Drucker stressed recently (1999), in more knowledge-based production, the intangibility of output has increased so much that the whole notion of productivity (largely defined on the basis of manual work in the Taylorist tradition) may have to be reconsidered. In such situations, productivity depends more on the application of knowledge and skills and less on the pace of work or on giving the impression of "working hard." Appraisal of the contribution of an employee or of a group of employees to the firm's performance then becomes a key issue for management.

It should be clear by now that the innovations we have in mind include, but are by no means limited to, union-management relations and collective bargaining. Considering our focus on productivity, the paper deals mainly with the social arrangements that must be made at the point and in the course of production. This is not to underestimate the importance of the set of rules enshrined in the collective agreement. In particular, the rules governing the internal labour market, such as job classifications and stipulations concerning temporary transfers and internal mobility more generally, have much to do with productivity. New ways developed jointly by unions and employers to regulate conflict and stabilize relations have been well documented in industrial relations research. In the Canadian context, such developments have been observed mostly in large private sector firms (Chaykowski and Verma, 1992; Verma and Chaykowski, 1999). But changes in work organization appear to have been even more pronounced recently in Canadian workplaces.

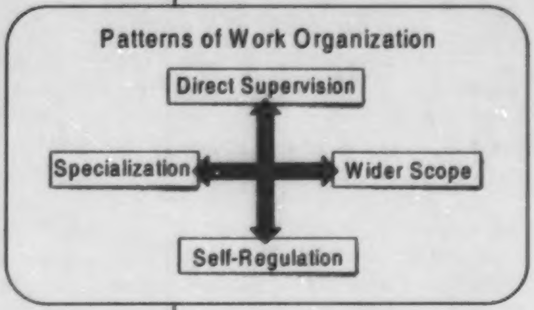
The paper does not dwell on the complex set of factors fostering these major changes in the organization of work and production more generally. Suffice it to stress that the impetus for workplace innovation has enough to do with structural changes—in the global economy, in the way multinationals monitor production internationally, and in the way we are moving beyond the production of standard goods and services—to suggest that we are unlikely to return to the post-war patterns of production and workplace relations.

Changes in Work Organization

In the study of employee involvement and productivity, work organization is the principal sphere of interest. Work organization refers to the way labour power is used in the production process and is more circumscribed than production management, although the two are closely related.

The figure (see next page), based on the distinction between the technical and the social division of labour, seeks to illustrate the direction and meaning of ongoing change in the sphere of work organization. The technical division of labour, on the horizontal axis, refers to the way work is fragmented and subdivided into limited operations performed by separate workers. The description of a pin-making factory by Adam Smith, at the very beginning of The Wealth of Nations, sheds light on the traditional idea of specialization as a major source of productivity. The simplification of a specific operation, repeated according to a very short cycle, was meant to increase a worker's dexterity on a given task. Frederick Taylor is rightly seen as the one who developed this idea most systematically, in an approach that was well adapted to the industrial production of standardized goods. The Fordist era of production, and particularly the system of rules associated with a large number of job classifications, then brought this conception of production to its utmost possibilities. Over time, however, its limitations as regards efficiency became increasingly obvious. Since the 1960s, even before structural changes in market conditions took place, there have been several waves of experimentation aimed at reducing specialization and individualized work.

For more than three decades, the tendency has been to decrease the technical division of labour and give workers a wider scope of activities. In the 1960s, experts in organizational behaviour thought that job enlargement and job enrichment would help to reduce alienation and tackle the "motivation problem." But the reduction of task fragmentation was often minimal. Various forms of multi-tasking and multi-skilling sought to do more than enlarge the duration of work cycles. Over the last 10 years or so, there has been a clear trend to reduce the number of job classifications, foster job rotation and internal mobility, and make the work group or team responsible for a degree of horizontal co-ordination. While workers used to be assigned individually, often for long periods, to a given job made up of well-specified tasks, the ongoing trend is to make workers more versatile and work organization more flexible. Case studies and national surveys (such as the British survey reported in Gallie et al., 1998) confirm the growth of task discretion in most sectors of employment.


Patterns of Work Organization

The vertical axis of the figure illustrates the social division of labour, that is, the structural division between management and labour discussed earlier. As noted, this is a general feature of the employment relationship, and management control remains a necessity in the current economic structure. But major developments have been observed in the forms of control and supervision. Clearly, the tendency is to reduce direct supervision, a key element of the traditional hierarchical structure and of the Taylorist vision of work organization. For several decades, the tendency was to "soften" direct control, to make it more subtle. But many workplaces are doing more than changing the style of supervision. As the conception of work organization evolves from the individual to the immediate work group, the sphere of self-regulation in which employees manage their contribution to production is growing. This development of new forms of social control has both an objective and a subjective dimension. Many decisions regarding the organization and co-ordination of work are devolved to workers, individually or collectively; this is referred to as the objective dimension. But self-regulation also relies on both the internalization, by individuals and groups, of production and quality standards and the acceptance of the need to "improve performance in the context of globalization," which is the subjective or symbolic dimension.

It is also important to consider the slow movement of individual organizations across various points on the figure's two axes as part of an ongoing process. While the pin factory observed by Adam Smith would be located at the extreme upper left, the ideal-type of the knowledge economy, such as the research and development division of an information technology firm in Silicon Valley, would be at the extreme lower right of the figure. It is important to emphasize that we are not suggesting that there is one best pattern of work organization. For a given organization, the optimal position on the figure depends on several factors, including technology, product standardization and human capital. The point is that the organizations studied by many researchers in recent years are moving, from different starting points and at different paces, on a trajectory from upper left to lower right, that is, towards wider scope and a growing degree of self-regulation.

Appelbaum and Batt point out: "By self-directed teams we mean groups of workers who have substantial discretion over the work process, make changes in production methods as needed, and take on many of the tasks traditionally carried out by front-line supervisors, such as allocating and coordinating work between different employees and scheduling" (1994: 253, no. 3).

It is relevant to look more specifically at teamwork, the form of employee involvement that has been studied most thoroughly in the academic literature and is rightly considered as the most representative example of autonomy and self-regulation. The development of teamwork, internationally, is the object of much discussion in the academic literature. Sometimes labelled "semi-autonomous," "self-directed" or "self-managed," teams are groups of workers who gradually take charge of activities and decisions concerning the organization and co-ordination of their work, many of which used to be handled by front-line supervisors.

Empirical accounts of the effects of teamwork on social control and efficiency present varied pictures. In particular, results are quite variable in the automobile industry, where the rigour of the assembly line remains a major constraint. Some of the main difficulties of teamwork relate to the ambiguous role of team leaders and the phenomenon of peer pressure, which refers to excessive social control between co-workers. Although peer pressure is certainly present in many workplaces and is a matter to be considered seriously, observation shows that such a development is not universal and suggests that other factors, which have been discussed very little in the literature, may be more important in understanding the connection between teamwork and productivity.

We call the first of these factors the "decompartmentalization" effect, which occurs when work evolves from an individual to a more collective responsibility. With hindsight, some of the limits of the specialization and division of labour advocated by Smith and Taylor become obvious. But breaking down the walls of specialization and individual assignment through the creation of a collective unit can make a difference. Although further research is needed here, what we call the decompartmentalization effect seems related to broader changes in the management of production (Klein, 1991). This effect, whereby new connections and links are fostered, also extends beyond the limits of a given team. Indeed, as self-regulation develops further, workers communicate more openly with teams operating upstream and downstream in the production chain and take charge of some of the co-ordination with service departments such as planning, maintenance or quality control. In particular, production workers communicate with maintenance people directly instead of reporting faulty equipment through formal communication between foremen, as in the "old days."

A second key factor has to do with the ongoing change in the nature of work, namely the development of activities that are based more on knowledge, cognition and abstract labour. As noted earlier, in such situations, productivity depends more on the application of skills and less on work pace or on giving the impression of "working hard." Productive activity often involves monitoring a flow of production or, indeed, a process by which the consumer will receive what is perceived as professional, high-quality service. This phenomenon adds to the intangibility of output. The problem for management is that it becomes even more difficult to appraise performance. In such a context, teamwork may offer more possibilities than direct supervision because it is based on self-regulation by a group of employees of a process made of many interdependent activities.

Impact on Productivity

It is now quite common for researchers to state that innovative work systems have a positive effect on productivity and firm performance.

For his surveys, Osterman defines self-directed work teams as: "Employees supervise their own work, they make their own decisions about pace and flow and occasionally the best way to get work done" (1994: 187).

A standard reference is the synthesis written by Ichniowski et al. (1996). On the basis of a careful assessment of the research, they conclude that the empirical evidence tells a "consistent story": "Innovative human resource management practices can improve business productivity, primarily through the use of systems of related work practices designed to enhance worker participation and flexibility in the design of work and decentralization of managerial tasks and responsibilities" (1996: 322). It is worth noting that the authors are careful to state that "systems of related practices" (a notion to be discussed below) "can" have a positive impact. In the opening sentence of a more recent article, Ichniowski and Shaw state: "Recent research finds that systems of innovative human resource management practices that promote employee participation improve a firm's economic performance" (1999: 704). As a result of their series of papers, which use sophisticated research protocols, Becker and Huselid are considered among the leaders in this stream of research. While documenting some positive results, their recent synthesis of research concludes rather cautiously (1998: 91–98). They stress in particular that:

> *Despite the growing academic and practitioner interest in strategic human resources management, what we can say with confidence about the HRM-firm performance relationship is actually quite limited. Theoretically, there is a strong foundation for the expectation that superior human capital strategies will be reflected in valued-firm level outcomes. Empirically, however, we have only begun to 'peel back the onion' to gain an understanding of the processes through which high performance work systems add value, as well as to provide significant econometric evidence of the magnitude of such an effect. (Becker and Huselid, 1998: 91–92)*

In general terms, research certainly indicates that new work systems have a positive impact on productivity and firm performance. However, this general proposition must be qualified in many ways in order for it to correspond to the current state of empirical research. A major reason is that, given that the "independent variable" (high-performance work systems, high-involvement work systems, etc.) is poorly specified, research is not really additive. As noted by Guest, in spite of the statistical sophistication of many of the studies under review, "they are not looking at quite the same thing so they are cumulative in only a very general sense" (1997: 270). Two other British researchers come to a similar conclusion (Edwards and Wright, forthcoming). On the basis of theory and of a review of empirical work, they express confidence about the connections between high-involvement work systems and performance outcomes, but they stress that the causal chain has not been established and doubt, considering that "causal linkages are multiple and reciprocal," that it can ever be specified empirically. By way of analogy with Granovetter's concept, they emphasize that: "the ties between high involvement work systems and outcomes are variable, reciprocal and contingent, but the remaining weak ties still have a strong and simple message, that managing people well rather than badly affects productivity" (Edwards and Wright, forthcoming: 4, 21).

One way to go a step further in assessing what we know about productivity outcomes is to look more closely at some leading-edge intra-industry studies in this area. One of these makes a useful distinction between the complementary ways in which innovative work systems can generate economic gains:

> *First, a high performance work system may reduce the total number of employees—including supervisors, service workers and warehouse staff—required to produce a given amount of output. This increases labor productivity and reduces the plant's unit labor costs. Second, a high performance work system may increase total factor productivity and reduce costs in a variety of ways over and above the reductions, if any, in unit labor costs. It may reduce inventories of raw materials, work-in-process, or final products, for example. Third, by reducing equipment failures or other interruptions of the production process, the actual production of plants can more closely approximate their potential production, thus increasing the measured productivity of the plants' capital and labor resources. Finally, regardless of whether a high performance work system reduces costs, it may lead to economic gains for the plant by increasing revenues and creating information rents (Appelbaum et al., 2000: 45, 105–106).*

A first major reference is the international study of 62 automotive assembly plants by John Paul MacDuffie (1995). His key contribution is to show how three bundles of innovative practices, relating to manufacturing practices, work organization and human resources management policies, are actually connected and work together. Each of the two following hypotheses was supported by analysis of survey data: "innovative human resources practices affect performance not individually but as inter-related elements in an internally consistent human resources 'bundle' or system; and that these bundles contribute most to assembly plant productivity and quality when they are integrated with manufacturing policies under the 'organizational logic' of a flexible production system" (MacDuffie, 1995: 217).

Statistical analysis shows that these three bundles, for which different indices are created, are internally consistent and have positive effects on productivity and quality when they act in a complementary way. Hence, plants with flexible production, based on elements such as the limitation of buffers, teamwork, and a given set of human resources management policies, consistently outperformed mass production plants. An important implication of this line of analysis is that differences in performance outcomes, for example between Japanese and American plants, can be accounted for by organizational characteristics rather than by unexplained cultural or national differences.

The longitudinal study realized by Casey Ichniowski and his colleagues, from monthly performance data in a homogeneous sample of 36 steel finishing lines in the United States, also provides strong support for the idea that only a coherent and integrated system of practices really makes a difference. Statistical analysis "shows that innovative human resources management practices raise worker productivity. Moreover, systems of innovative practices have large effects on production workers' performance, while changes in individual employment practices have little or no effect" (Ichniowski, Shaw and Prennushi, 1997: 311). The combination of practices that is categorized as the most innovative system (out of four) consistently corresponds to the highest levels of productivity and product quality, while the most traditional system is associated with the lowest outcomes. The "most conservative estimate" of the productivity effects of this innovative human resources management system, expressed in terms of uptime differentials, is in the order 6.7 percentage points; uptime, the key measure of productivity in this industry, is defined as "the percent of scheduled operating time that the line actually runs" (Ichniowski, Shaw and Prennushi, 1997: 293, 303).

In a subsequent study, Ichniowski and Shaw (1999) compared performance data relating to five Japanese production lines. Their results again support the idea of a complementary system of practices, as Japanese plants use a coherent set of measures such as problem-solving teams, rotation across jobs, extensive training, etc. "The empirical results show that technologically similar production lines achieve gains in both productivity (or uptime) and product quality when systems of innovative human resources management practices are introduced" (Ichniowski and Shaw, 1999: 717). More specifically, comparative analysis shows that Japanese lines are, on average, 5 per cent more productive than United States lines, but that American plants using the same set of innovative practices are as productive as the Japanese plants, in terms of both productivity and quality. Indeed, the lines where the most innovative human resources management system is in operation, whether they are located in the United States or Japan, are on average 7 per cent more productive than lines having the most traditional system (pp. 713–715, 719).

Eileen Appelbaum and her colleagues recently published a comprehensive study on the effects of high-performance work systems on performance outcomes in the United States steel, apparel and medical imaging industries. Performance data were collected from 44 plants, in which interviews with managers and a survey of nearly 4,400 employees were conducted. The notion of high-performance work systems is defined and operationalized around three basic components: opportunity to participate, policies to enhance skills, and appropriate incentives (Appelbaum et al., 2000: 39–44, 116–124). The authors explain how the relevant measures of performance are specific to each of the three industries: productivity (measured as machine uptime) in steel, cost and throughput time in apparel, and work-in-process and finished product inventories in medical imaging (19, 105). As the subtitle of the book suggests, the results indicate that the effects of innovative work systems on organizational performance are positive and consistent in each of the three industries. Data are analyzed in detail and the conclusion stresses that "in general, organizational changes at the shop-floor level make plants more productive and enable them to produce a greater volume of output or a qualitatively superior or more varied output with a given amount of resources" (Appelbaum et al., 2000: 227). The authors assert that this is made possible because "high performance work systems elicit discretionary effort from workers. The more participatory work organization in a high performance work system draws on the latent knowledge of workers to reduce waste, to solve problems more quickly, and to balance the workload and regulate the production process. Effective effort per hour of work in a high performance work system is higher than in traditional workplaces because workers have the opportunity to work smarter" (Appelbaum et al., 2000: 229).

In sum, a considerable body of research indicates that innovative work systems have positive effects on productivity. But the difficulty of quantifying these effects remains, and probably will always remain, considerable. Drawing on secondary sources, Freeman and Rogers estimate that "as a broad summary, employee participation raises productivity modestly—say, by 2 to 5 per cent" (1999: 105). But although they list a series of publications as references, it is unclear how they arrive at this figure. In fact, the magnitude of the impact depends very much on technology and systems of production. To date, the most accurate calculations (e.g., those by Ichniowski and colleagues) seem to have been made in firms using continuous process technology, where a productivity increase in the order of 6 or 7 per cent is considerable because of its effect on profitability. However, in less capital-intensive production, as is generally the case in batch production and assembly work, variations in productivity are often much more pronounced because output depends less on technology and more on workers' contributions and on organizational arrangements.

So far, researchers have paid less attention to the effects of innovative work systems on quality than to their impact on productivity. But it is worth noting that in the intra-industry studies referred to above, indicators of quality show the same positive pattern as do those of productivity. In short, current knowledge suggests that productivity improvements are not achieved at the expense of quality; innovative work systems can have a positive influence on both.

Finally, a clear and recurrent research finding is that single workplace practices have little effect but that a combination of such practices really makes a difference when these operate in a complementary way. This notion of bundles does not mean that an organization simply has to increase the number of innovative practices. The change process is much more complex. The key is to generate a synergistic effect, which in turn depends on the fit between the various components of a work system. Some of the research reviewed here provides direction, showing that certain forms of work organization and human resources management policies that enhance skills and incentives can be linked and give good results. But this is not to suggest the possibility of a "one best way," because this complex combination of arrangements also has to be well adapted to the technology and system of production that prevail in a given industry, or in a given segment of an industry.

Impact on Workers' Welfare

While there is growing evidence that innovative work systems are good for organizational performance, the picture is not so clear as regards the effects of these developments on the workers involved. Research on this question is much less advanced.

In fact, there are reasons to believe that the new patterns of work may have negative consequences for workers' welfare. This aspect is often considered the social cost of such work systems. Although the empirical evidence remains limited, it is reasonable to expect that the drive to rationalize work and the greater involvement of non-managerial employees in the organization and co-ordination of work may have led to a degree of work intensification. Some evidence suggests that workers are not only working "smarter," in many workplaces, they are also working harder. These connections are highly complex, and some preliminary distinctions may be useful.

First, a distinction has to be made between the immediate intensity of effort (or simply work pace) and the distribution of effort during the whole period of work. Our own observations suggest that much of the recent productivity gains derive from an increased proportion of working time effectively applied to production. Second, it is important to study the conditions under which workers are willing to expend more discretionary effort. Since the mid-1980s, a stream of research has developed in Great Britain that seeks to establish if workers really are working harder. The overall finding is that, in general, they actually are. But in reviewing this research, Edwards et al. (1998: 40–45) point out that workers were not necessarily dissatisfied with their level of effort as a result. For instance, in the six organizations studied by Edwards, Collinson and Rees, 57 per cent of the sample could be classified as "committed," in that they were working harder and liked doing so (1998: 462). Although we are far from a definitive explanation of such complex matters, these authors advance the idea of a "disciplined worker thesis," which essentially means that workers are prepared to put in extra effort if the workplace is well managed, a situation which they prefer. In short, "time passes smoothly, and there is a sense of achievement at the end of the day" (Edwards, Collinson and Rees, 1998: 453; also 470). Third, the notion of "effort" is in itself ambiguous. If the fluidity of work and the flow of production are improved, workers can produce more without necessarily giving more "effort" and experiencing more fatigue. Our own observations clearly indicate that workers do not object to this type of improvement, quite the contrary; but increasing the work pace and "speeding up" is a different matter. Fourth, a considerable limitation on research on the impact of innovative work systems on workers' welfare is the difficulty of specifying the real "cause of the problem." Assuming that employees feel more pressure at work in the current period of increasing competitiveness, globalization and budgetary restraints, does higher involvement and participation make matters worse, or better?

In a recent article, Conti and Gill (1998) were able to conceptualize the possible effect of lean production and just-in-time production systems on job stress. But they acknowledge that empirical support remains limited in this regard. One important source is the survey of 1,670 workers employed in 16 plants in the Canadian independent automobile components sector (Lewchuk and Robertson, 1996). It provides evidence of work intensification and more stressful and unhealthy working conditions. For instance, 61 per cent of unionized workers surveyed "reported that their workload was either too fast, too heavy, had to be done by too few people, or in too little time" (ibid., 66). No less than 44 per cent reported that "compared with a couple of years ago, their current job was more tense" (ibid., 67). However, the classification scheme developed by the researchers illustrates how difficult it is to differentiate and specify systems of production in order to assess the impact on given outcomes. Only 2 of the 16 organizations studied were "far enough along the path to lean production to be called lean companies" (ibid., 69); the most difficult working conditions were found in these two plants.

Much of the available evidence on the negative effects of new production systems on working conditions relates to the automobile industry (for instance, Rinehart, Huxley and Robertson, 1997). It is also the industry in which the system of lean production inspired by Japanese manufacturers was implemented most thoroughly, especially in North American transplants. In other industries, the application of lean production appears much less systematic, although many of the broader principles relating to production management have been diffused to varying degrees in manufacturing and services worldwide. It follows that, in many workplaces, it would be methodologically difficult to establish a correlation between a "model" such as lean production and workers' health and welfare.

The worker survey conducted by Appelbaum et al. (2000) in the steel, apparel and medical imaging industries represents the most comprehensive effort to estimate the effects of high-performance work systems on workers' welfare. Their detailed statistical analyses focus mostly on the correlation between workers' opportunity to participate and five different outcomes. Although the necessary nuances are noted, the overall results are very clear for each of these: participation is positively associated with levels of trust, intrinsic rewards, organizational commitment and job satisfaction, and it does not generate more work-related stress. The authors conclude that "improvements in productivity associated with high performance work systems do not come at the expense of workers' welfare" (Appelbaum et al., 2000: 228). The analysis of data on stress, the issue regarded by many as the most problematic, concentrates mostly on the possible connection between the opportunity to participate and five job stressors: role overload, required overtime, inadequate resources, conflict with co-workers, and unsafe and unpleasant physical conditions. Again, the authors insist that the evidence is clear: "these results provide little support for the notion that participatory forms of work organization require workers to work harder ('speed up') by placing too many conflicting demands on them, asking them to do more work than they can handle, or requiring them to work overtime" (ibid., 198). In short, the authors conclude that they "found no support for the thesis that higher effective effort in more participatory workplaces is due to speed-up" (ibid., 229). Nevertheless, it is worth pointing out that the research does not indicate that workers reported low perceptions of stress. Rather, it shows that participation is generally related to lower levels of job stressors (ibid., 198). In other words, these results do not mean that stress is low in these industries; they nevertheless suggest that participation may have appeasing effects on job stressors.

In sum, while the literature suggests that workers' mental and physical contribution to organizational performance has increased in recent years, more research is needed to assess the impact of this ongoing process on workers' stress and health conditions more generally. The issue of workers' welfare has so far received much less attention than organizational performance in the academic literature on innovative work systems and deserves close consideration. Indeed, a deterioration of working conditions would be a problem not only from the perspective of the quality of work life. It would also affect the sustainability of new approaches to production as well as the capacity of organizations to renew their human and social capital and to reproduce, over time, the necessary conditions for productive and innovative work environments.

Neither "One Best Way" nor Totally Contingent

Given the current state of knowledge, there are at least two ways that public policy could support workplace innovation. One is to encourage research on the conditions in which innovative work systems flourish and generate more positive-sum arrangements between management and labour. Another is to foster institutional developments that would incite employers and unions to work on a social compromise that would be more attuned to ongoing developments in the sphere of production. Each of these two propositions deserves some elaboration. The first, on directions for research, will be developed briefly here, while the notion of institutional support will be discussed in the conclusion.

We suggest that progress in research on innovative work systems lies very much in finding the middle ground between two extreme views. At one extreme, some literature suggests there exists something of a "one best way" in terms of organizational characteristics, which, if it could be found and properly tested in a given firm, could be replicated by competitors and even have universal applicability. According to this view, innovative work systems would have "public good" characteristics and would give only a short-term competitive advantage, a factor that would deter investment in organizational development. While not many specialists on workplace relations explicitly hold such a view about the possibility of a "one best way," it certainly underlies many management fads as well as some highly influential books on production models (for example, Womack, Jones and Roos, 1990). Indeed, in their synthesis on work systems and firm performance, Becker and Huselid observe: "A related debate that runs throughout this literature is whether there is a best human resources management system with universal applicability, or whether the strategic impact of human resources management is contingent on the fit between the human resources management system and corporate strategy" (1998: 58).

Considering the specific features of any productive organization and the complexity of the innovation process, this notion of a "one best way" does not fit with reality. But the other extreme, held by many experts in organizational research, is hardly more fruitful. Insisting on the specificity and idiosyncrasies of every workplace and stressing variations from case to case often leads to the view that optimal organizational choices are "totally contingent." In other words, they see so much firm specificity that no pattern can be inferred. On this account, there would be only limited prospects for theory and public policy. Our point is that each of these two extreme views leads to an impasse. Workplace research suggests, however, that there may be a middle ground, to be outlined briefly here.

The way forward is to examine the conditions under which mutually reinforcing practices happen to fit with a given technology and system of production, and hence contribute to organizational performance. There is some emphasis in the literature on the fact that only clusters of complementary practices can make a difference. In the words of Ichniowski et al., "there are no one or two 'magic bullets' that are the work practices that will stimulate worker and business performance" (1996: 322). Some of the studies reviewed go further in indicating the set of work organization and human resources management practices that adequately support a given technology. We have in mind MacDuffie's research in the automobile industry (1995) and the comparative studies of Ichniowski et al. (1997, 1999) on steel finishing lines. In the latter case, a given set of practices produced similar positive results for productivity and quality in the United States and Japan.

Our own observation of different types of batch production and of continuous process technology indicates that systems of production really make a difference as regards the possibilities for work reorganization. For instance, we studied the progress of teamwork in two aluminum smelters. In such a continuous process—also in operation, for example, in steel and other metal smelters and in oil refineries—production workers have to monitor technical systems. They have large areas to cover, and performance does not depend directly on individual effort on a day-to-day basis. Rather, it requires good coordination within and between teams, as well as with employees (e.g., maintenance people, engineers and technicians) whose task is to assist production. Such a system of production creates favourable conditions for self-regulation and limited direct supervision. In contrast, in routine assembly work, where performance depends directly on the volume and quality of output of each individual on a daily basis, it is more difficult to do away with direct supervision. Some research suggests that teamwork may then lead to peer pressure and excessive forms of social control (Barker, 1993; Sewell, 1998).

Of course, our aim is not to suggest a form of technological determinism but rather to recall that technology matters. In fact, the key factor is not so much technology per se as the system of production more generally. It may be worth re-examining Woodward's early research (1965) on the links between production systems and organizational structure. She combined the 11 categories of production systems observed in British manufacturing into three main groups: unit and small batch production, large batch and mass production, and process production. Her theory is that unit and small batch production leaves more uncertainty to be managed by the social system. Recent observation of small batch production shows that work is hardly rationalized and standardized by technology and that frequent adjustments (different product specifications, new set-ups, etc.) have to be made to production lines. This tends to demand more direct supervision.

The contrast between this and a modern aluminum smelter, which is at the other end of the continuum, is striking. Conditions in the latter are favourable to the operation of teams with very little supervision. The hypothesis could be made that as we move from small batch to continuous process, production is more capital-intensive but can be operated efficiently with less supervision. More empirical research is also needed to consider related aspects of the system of production that have consequences on patterns of management control.

These propositions need to be validated through further empirical research, but it is also clear that research has made some progress in identifying the conditions under which a particular set of working practices may find relatively fertile ground.

Conclusion

Innovative work systems can have positive results for productivity and firm performance more generally. But there are two major concerns from the viewpoint of public policy. These are the lack of a more general diffusion of such practices, and their impact on workers. Regarding the first matter, considering the evidence that the effects on performance are positive, there is much speculation about the reasons so many employers stick to traditional work systems. Among possible explanations, Ichniowski et al. consider the following: limited performance gains for some businesses, system inertia, linkages with other organizational practices, labour-management distrust, the fact that only some of the employees may gain and, finally, institutional and public policy constraints (1996: 325–329). When analyzing why more United States steel producers did not shift to an innovative human resources management system, which has proved its effectiveness, Ichniowski and Shaw note that all greenfield sites actually have done so, but that older lines have to consider "switching costs." Hence, "changing the traditional United States human resources management system to the innovative system in an on-going line would cause a costly upheaval in work relations among employees" (Ichniowski and Shaw, 1999: 718). Indeed, changing work systems is not a technical matter, but raises issues of power. Many employers are still worried that making their production system too dependent on employee involvement would make the production systems more vulnerable and open the employers' decisions to more discussion.

It is important for the logic of our argument to be more specific about why the issues of diffusion and of workers' welfare really are matters for concern from the viewpoint of public policy. Indeed, some analysts may suggest that we simply have to let the market play its role.

The first concern may be understood by standard economic analysis. While some firms obtain good performance and profitability, at least for the time being, without being much influenced by the workplace practices studied here, their contribution to economic growth at the macro level may be more limited. In particular, by sticking to what is often characterized as a "low road" or a cost-cutting strategy, some firms contribute little to the development of the human and social capital that are increasingly required as we evolve toward a more knowledge-based economy. As noted by Appelbaum et al., "The spillover effects of the adoption of high performance work systems in manufacturing plants on knowledge creation and productivity growth suggest that the gains to society from greater worker participation in shop-floor decisions may exceed the benefits to individual employers. As a result, societies may have an interest in developing institutions that encourage firms to implement these workplace changes and that reduce the cost to individual plants of doing so" (2000: 233).

The second concern, the apparent lack of adequate returns for workers, is relevant because of its possible implications for social cohesion. The workplace innovations studied here, often in the context of highly competitive market forces, have contributed to productivity gains. Considering the ongoing process of globalization and the progress in the spheres of technology and management, this spiral is not likely to slow down in the coming years. There is certainly no principle in economic analysis suggesting it may do so. So the only limit, in theory, relates to workers' willingness to go further along this cumulative process of performance improvements. The lack of "mutual gains" in terms of wages and permanent jobs, as well as possible negative effects in terms of work pressure and stress, may affect attitudes and behaviour in this regard.

This research review indicates that clear patterns are taking shape in the spheres of production management and work organization. Sure, social tensions will always remain at the point of production and there are many alternative programs and practices, but the general principles of flexible production and workers' self-regulation can now be discerned clearly. In contrast, it is still unclear which institutional framework could usefully support these developments. By this we refer to institutional arrangements at both the macro and micro levels. In spite of much discussion in Canada about the limitations of the system of labour regulation associated with the New Deal compromise in the current economic era, only adjustments have so far been considered. In the workplace, in spite of considerable experimentation in many sectors, the system of rules that could preserve workers' rights and foster more involvement in production is only slowly taking shape. Of course, a precondition of more decisive progress in this regard is the development by the economic agents of a new compromise regarding the regulation of the employment relationship. In the absence of such a compromise, market forces prevail over jointly agreed arrangements and institutions. This situation not only hampers the possibilities of employee involvement, but may also generate further inequalities. In a comparative study entitled Converging Divergences, Katz and Darbishire report increasing similarities in employment practices across countries but, in contrast, growing variations within countries. Their argument holds particularly well in the United States where, they insist, market and institutional forces (and particularly low unionization) have generated increased income inequality (2000: 63-65).

A key question related to this research review is: will workers and unions participate in decisions regarding the design and implementation of innovative work systems? Some evidence certainly suggests that such work systems are diffused more widely and are more effective when unions are involved in their development. This view was recently reinforced by a United States survey (Freeman and Rogers, 1999: 106, 114–116). On the basis of international comparison, Streeck (1996) observes that collective representation actually helps foster workers' participation in new forms of work organization. In fact, as this author argues more generally, rather than being impeded by formal rules and institutions, trust between management and labour is actually fostered by the development of such mechanisms (Streeck, 1992). In Canada, various studies have documented how unions often play a positive role in helping to redefine the traditional system of work rules and adapting it to production flexibility (see the studies collected in Verma and Chaykowski, 1999; also Lévesque and Murray, 1998; Bourque, 1999).

Although this paper has focussed on the links between work systems and performance at the micro level, the linkages between work systems and the structural and institutional environment have no less importance to firm performance. Comparative research on the United States and Japanese employment systems conducted by Brown et al. (1997; also Brown and Reich, 1997) provides some indication of the way forward. The authors insist in particular on the pay structure and its effects on the incentive system as a key element for stimulating workplace productivity. This is one of the factors, along with employment insecurity, that leads to their conclusion that "United States macroeconomic and labour market institutions are not as supportive of high-performance organizations, especially for production workers, as Japanese institutions" (Brown and Reich, 1997: 779).

In sum, the research review shows that non-managerial employees are increasingly involved in workplace decisions. In our view, these changes, which are not limited to a specific economic context but are structural, have real potential for enhancing productivity. But the paper seeks to put these developments in perspective and indicates some of the conditions that are necessary for stimulating and sustaining workplace innovation. In particular, unless innovative work systems are supported by arrangements that foster mutual gains and good working conditions, they may lead to economic inequality and social tension. In contrast, social arrangements that are more conducive to trust and social capital will lead to further organizational innovation and economic growth.

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THE EFFECT OF SHARED CAPITALIST INSTITUTIONS ON EFFICIENCY

Richard Freeman
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One salient feature of the high-tech economy has been the increasing importance of stock options as a form of employee compensation. Stock options are just one example of a broader trend, particularly in the United States, toward compensation systems based on the economic performance of the firm. Richard Freeman assessed this trend and its impact on economic performance in a lecture entitled *The Effect of Shared Capitalist Institutions on Efficiency*, presented on April 6, 2000.

The speaker noted that in the United States, new forms of compensation based on incentive pay for group or company performance, or on ownership of company shares have spread rapidly. Instead of compensating workers solely with fixed wages, more and more firms have made part of their pay dependent on the economic performance of the firm: awarding stock options, giving profit-sharing bonuses, offering group incentive schemes (gain-sharing) or employee stock ownership programs, and investing defined contribution pension plans in the equity of the firm.

During the 1980s, employee stock ownership programs have grown rapidly, but during the 1990s broad-based stock options came into favour and the proportion of workers covered by such regimes increased sharply. In 1987, 26 per cent of Fortune 1,000 firms reported having profit/gain sharing plans. The proportion had risen to 45 per cent in 1995. In many instances, the introduction of pay linked to company or group performance coincided with the development of institutions aimed at increasing employee involvement in decision-making: teams, total quality management, quality circles, and employee involvement committees.

Freeman examined the extent to which shared compensation practices and employee involvement activities affect performance and productivity. He found that employee involvement has a significant impact on worker productivity, job satisfaction, and attitudes toward the firm. In fact, employee involvement had a larger impact than shared compensation. This implies that participation in decision-making matters more than participation in financial rewards. The best results, however, occur when firms combine three elements: pay for company/group performance, an ownership stake in the firm, and employee involvement committees.

"Firms that give workers financial incentives but do not empower them to make decisions are unlikely to benefit from their incentive regime..."

Variable incentive pay has become increasingly common in the United States.

Variable pay is sometimes part of a package that seeks to increase employee involvement in decision-making.

Employee involvement improves productivity more than incentive pay alone.

Firms that give workers financial incentives but do not empower them to make decisions are unlikely to benefit from their incentive regime.

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A BRIEF INTRODUCTION TO INTERNATIONAL LABOUR LAW AND ITS IMPLICATIONS FOR CANADIAN POLICY AND PRACTICE

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McMaster University

Not long ago I asked a professor of labour law whether he included a section on international labour law in his introductory course. He didn't, he said, because he honestly knew very little about the subject and, until recently, it had not occurred to him that it might be relevant for his students. Like many others, however, he had plans to bone up on the subject.

Projects such as the North American Free Trade Agreement, the World Trade Organization and the work now being done to establish a Free Trade Area of the Americas have precipitated not only a debate about, but also significant moves toward, the establishment of effective international labour law standards with which domestic labour law would have to comply. This article provides a brief introduction to the development and current state of international labour law and highlights some of its implications for Canadian policy and practice.

International Law

Because its development and impact are less clear-cut than those of domestic laws, the subject of international law is considered to be esoteric even among many lawyers and law professors. At the national level, in essentially all contemporary states there are institutions such as legislatures that pass laws, a judiciary that interprets the law and an administration that enforces the law. At the international level, it is difficult to identify similar institutions. The United Nations and its many specialized agencies quite often adopt resolutions and declarations that have the rough form of national laws. There is also an International Court of Justice, but its mandate is limited to disputes between nations. And there is the United Nations Security Council, which can intervene in very specific conflicts if consensus is reached among its powerful members. But these agencies are a pale reflection of national institutions.

The main sources of conventional international law, which is similar to domestic statute, are international agreements. These take many forms including treaties, conventions, protocols, covenants, declarations, recommendations from international bodies and constitutions of international organizations. Conventional international law applies only to those countries that are party to the agreement in question.

As in nation states, conventional law is accompanied by customary law. Customary international law is roughly similar to domestic common law. It results when states follow certain practices consistently and generally out of a sense of obligation. Customary international law is held to apply to all countries, whether or not they have agreed to be bound by it. A country may escape the obligations of a customary international law, however, if it consistently and expressly objects to the practice of it. But there are some rules that are considered so important (rules of jus cogens) that no exceptions are permissible. For example, prohibition of genocide is considered to be such a rule, and offending it is a crime everywhere.

International treaties typically lay down their own procedures for implementation and dispute resolution, but the enforcement of customary law is more uncertain. The primary remedy historically was self-help. If one nation was offended by the internationally illegal practices of another, it could take unilateral

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action against it. Today, resort to armed force is supposed to be the sole prerogative of the United Nations.

Dispute resolution procedures in contemporary treaties may or may not result in some form of economic or diplomatic sanction. In some cases, governments collaborate in sanctioning nations for wrongdoing. Pressure exerted on South Africa regarding its policy of apartheid is an example. At present, most of these processes are not consistent, impartial, or very effective. The failure of the United Nations to take action against the genocide in Rwanda is one of the most shameful episodes of the late 20th century. Trade laws such as the rules of the World Trade Organization, although less than perfect, are among the most effective. Whereas the rulings of many global oversight and dispute resolution agencies are regularly ignored, those of the World Trade Organization are commonly followed.

Other sources of international law are the body of general principles that are common to the major legal systems of the world, decisions of the International Court of Justice and the writings and declarations of eminent legal scholars. For example, the United Nations International Law Commission has the mission of codifying and developing international law, and its reports carry considerable weight.

At one time, it was generally accepted that international law applied not to individuals but rather to nations. In recent decades, however, that norm has been changing. It is now accepted that individuals may be tried for war crimes, even if the crimes are committed within national borders and according to the policies of the regime in power, and that all human beings have certain inalienable rights that need not be codified and may not be taken away by national law.

International Labour Law

The primary source of international labour law is the International Labour Organization, a specialized agency of the United Nations. The Organization came into existence in 1919 and initially was a part of the now defunct League of Nations. It persisted through the 1930s and World War II, when its headquarters was temporarily moved to Montréal, and after the war became part of the United Nations system.

The International Labour Organization is unique in the United Nations family in that it is tripartite. Its governing body consists of representatives of labour, employers and governments in nations around the world. The Organization's annual International Labour Conference is like a global legislative assembly. Each year, it meets in Geneva to consider the passage of new international labour legislation.

There are two major instruments that are commonly on the agenda: recommendations and conventions. Proposals that are passed as recommendations need not be ratified. They establish general international guidelines against which national policies may be assessed. Conventions are stronger. Every member nation is supposed to carefully consider the subject matter of conventions with a view to adopting them as domestic law. For many countries, when a convention is ratified by the national legislature it becomes the law of the land. For others, of which Canada is an example, ratification does not mean that the convention immediately becomes law. Rather, specific legislation regarding the issue must be passed by each province. Ratification also results in obligations to the International Labour Organization itself.

When a convention is ratified and becomes the law in a member country, it may be enforced through the courts of that country. That is the primary and preferred method for making international labour law effective. The International Labour Organization itself also has a committee of legal experts from around the world who deal with the application of ratified conventions. All member countries are required to file periodic reports on their progress toward implementing international standards, and the committee reviews and comments on those reports. In doing so, it fleshes out the bare bones of the wording in the conventions and recommendations.

Regarding freedom of association, the oldest and perhaps the most sacred of global labour norms, the International Labour Organization has a special procedure. There are two fundamental conventions, numbers 87 and 98, that deal with freedom of association and the right to organize and bargain collectively. However, all members, whether or not they have ratified the fundamental conventions (Canada has ratified 87 but not 98), have a responsibility to abide by freedom of association principles. To work out the nature of those principles, the Organization has a Committee on Freedom of Association, which is tripartite and composed of nine members of its Governing Body. Over the years, the Committee has considered over 2,100 cases. In the process, and in conjunction with the work of the Committee of Experts on the Application of Conventions, it has developed a rich body of jurisprudence explicating the detailed meaning and practical implications of freedom of association. The Committee on Freedom of Association has been referred to as the world's Supreme Court of Labour.

In 1998, the International Labour Organization passed a Declaration on Fundamental Principles and Rights at Work. In a unanimous vote (but with some abstentions), it declared a core set of labour standards to be fundamental human rights, thereby bringing them under the umbrella of international human rights law. The core set included:

- freedom of association;
- the effective recognition of the right to collective bargaining;
- the elimination of all forms of forced or compulsory labour;
- the effective abolition of child labour; and
- the elimination of discrimination in respect of employment or occupation.

Associated with those core rights is a set of conventions (originally there were seven, but a new one on the worst forms of child labour was subsequently added) that the Declaration asserts to be core labour rights conventions. The Declaration asserts that "all Members, even if they have not ratified the Conventions in question, have an obligation arising from the very fact of membership in the Organization to respect, to promote, and to realize in good faith and in accordance with the Constitution, the principles concerning the fundamental rights which are the subject of those Conventions."

The Declaration establishes a procedure that is largely promotional rather than judicial in nature. The International Labour Office is charged with promoting knowledge of these principles and with assisting members in applying them. Every International Labour Organization member is required to file an annual report documenting progress toward its realization.

It is commonly believed that the Organization has no capacity to act against nations that fail to abide by their obligations or ignore decisions rendered by committees. This is not entirely accurate. Under Article 33 of its constitution, the Organization may take "such action as it may deem wise and expedient" to achieve compliance. Theoretically, the only limits on action are those imposed by other international norms. There is, nevertheless, a tradition against the use of sanctions. The Organization used its sanctioning power under Article 33 for the first time in its history when it decided recently to impose penalties on Myanmar regarding that nation's use of forced labour. Whether that is a one-time event or marks a shift in the Organization's practice has not yet become clear.

A Social Clause in International Trade Agreements?

Despite its tradition of jawboning and cajoling rather than imposing sanctions, the International Labour Organization is considered to be one of the most effective, if not the most effective, of all international agencies. Nevertheless, it is clear that many of its most sacred principles are violated daily in the most cavalier fashion. As a result, in recent years there has been an effort, led by the International Confederation of Free Trade Unions, to include a "social clause" in international trade agreements, whose rules are followed more faithfully. In its most common format, such a clause would require parties to an international trade agreement, such as the World Trade Organization, to abide by International Labour Organization core standards or be subject to the sanctions provided for in the trade agreement's rules.

The inclusion of a social clause in the World Trade Organization has been vigorously opposed by the developing nations. Even though the International Labour Organization's Declaration of Fundamental Principles states that members are to fulfil their obligations "to the best of their resources and fully in line with their specific circumstances," the nations of the South fear "disguised protectionism" under which interest groups in developed countries will make use of such a clause to deny them access to Northern markets.

Instead of a social clause embedded in the agreement, the parties to the North American Free Trade Agreement negotiated a separate labour side accord called the North American Agreement on Labour Cooperation.

The three countries agreed to respect a set of labour principles that incorporates but is broader than the core International Labour Organization principles and to put the principles into effect in their own manner. With respect to a few standards, the North American Agreement on Labour Cooperation provides for sanctions if one of the signing countries consistently violates its own law.

Organized labour would like to see labour standards included within the body of the North American Free Trade Agreement, but the member nations have opposed that stance. A labour side accord modelled on the North American Agreement on Labour Cooperation is proposed as the method for dealing with the labour issue in the Free Trade Area of the Americas, even though most unions and many non-government organizations are not satisfied with that approach.

Enforcement Through Corporate Codes?

In addition to enforcement through a social clause, over the past decade there has been a push by non-government organizations to pressure multinational corporations to adopt codes of conduct that would include pledges to respect international labour standards. To increase the effectiveness of those codes, a number of agencies have appeared that have developed sets of general rules, usually modelled on those of the International Labour Organization, as well as methods for ensuring that corporations are complying with the standards. Among the most notable are the European-based Clean Clothes Campaign, as well as the Fair Labor Association and Social Accountability International, both of which are located in the United States. All of these organizations are new and thus do not yet have much of a track record. Social Accountability 8000, the standard of Social Accountability International, is specifically modelled after the ISO 9000 quality management program, which has been very successful.

The United Nations itself has recently gotten into this game. In 2000, it initiated a Global Compact with international business. Firms associating themselves with the Compact promise to abide by international environmental standards and the International Labour Organization's core standards, but there is no provision for independent inspection or for the application of sanctions against offending organizations.

Recently, three Ivy League professors put forth a proposal, labelled Ratcheting Labor Standards, that would make more systematic use of enforcement. Firms would be pressured by unions, non-government organizations and international organizations such as the International Labour Organization and World Bank to adopt codes of conduct, to agree on outside monitoring of those standards and, most importantly, to make performance data public for all their operations. That data would then be assembled and publicized by an international monitoring agency. The availability of such data would allow firms, as well as their customers and potential investors, to draw comparisons. These dynamics, the professors argue, would establish a positive competitive spiral that would lead toward continuous improvement in labour standards around the globe. An initial problem will be to persuade or require a sufficient number of firms to disclose the requisite information.

Enforcement Through Customer and Investor Pressure?

In addition, recent research is another dynamic pushing corporations to adopt corporate codes. The research indicates that a large percentage of consumers are concerned about the conditions under which products are produced. According to some surveys, consumers say they would not purchase goods that they knew had been made under so-called sweatshop conditions and would even be willing to pay a premium for goods that had been produced under conditions that met international standards.

A substantial proportion of investors have also made it known that they would prefer to invest in ethical corporations. This has led to the establishment of ethical mutual funds, which currently perform a small but quickly expanding role in equity markets. For a corporation to be included in such funds, its policies must pass through ethical screens. International Labour Organization core standards are commonly included as part of these screening procedures. Recently the United Kingdom's Financial Times Stock Exchange 100 index screened all its members in order to establish a new FTSE4good index. A third of members failed the test. International Labour Organization core standards were a part of the screen.

Where Does Canada Stand?

Although Canada is internationally recognized as a nation whose labour policies and practices are generally exemplary, some aspects of Canadian policy are problematic. Most notably, the International Labour Organization's Declaration of Fundamental Principles and Rights at Work, as noted above, obligates all member nations to promote, with a view to realizing in good faith, behaviour that is consistent with core principles. With respect to collective bargaining, the Inter-American Conference of Ministers of Labour took this to mean that each country had an obligation to "extend the coverage of collective bargaining to the greatest possible number of sectors of the economy." The Government of Chile adopted the immediate operational standard of more than doubling the collective bargaining coverage rate.

Despite these international obligations freely assumed, Canadian governments explicitly do not promote collective bargaining. With a few exceptions, such as the Ontario law that forbids workfare recipients from unionizing, no Canadian workers are forbidden from organizing with a view to bargaining collectively; but the policy of all Canadian governments is to remain strictly neutral with respect to that decision. Moreover, although Canada's Charter of Rights and Freedoms includes freedom of association, the Supreme Court's jurisprudence deviates from that of the ILO's Committee on Freedom of Association. Whereas the Committee has determined that freedom of association comprehends the right to bargain collectively and the right to strike, the Supreme Court of Canada has denied constitutional protection to those rights.

Although International Labour Organization jurisprudence allows countries considerable leeway to regulate the right to strike, it forbids the ordering back to work of workers on legal strike except under extraordinary conditions such as a national war emergency. Nevertheless, Canadian governments regularly engage in this practice. Within the past few years, the federal government as well as the governments of Nova Scotia, Ontario, Saskatchewan and British Columbia have offended international labour law by passing ad hoc legislation ordering the end of legal strikes.

Canadian law also excludes various categories of workers such as professionals and agricultural workers from its collective bargaining laws, a practice that is inconsistent with International Labour Organization principles. Certain provincial laws regulating child labour are also problematic.

Although Canada is certainly not a rogue nation like pre-Mandela South Africa or contemporary Myanmar, the wilful violation of international standards undermines Canada's credibility as a champion of human rights and the rule of law. As globalization proceeds, it is a near certainty that international labour law will become more widely known and understood, exposing Canada's situation.

Conclusion

Although currently somewhat esoteric, international labour law is likely to become increasingly important. International trade law has already become sufficiently effective to compel many nations, including Canada, to bring their domestic laws into compliance with it. Today, procedures for enforcing international labour law are less than adequate and the political will to abide by international labour law is weak. But forces are in motion that appear to be leading to increasing pressure to comply. Overall, Canadian policy and practice score high compared with other nations. Nevertheless, Canada has some glaring faults. Now is the time to address them rather than waiting for a major international embarrassment.

Further Reading

Major Reference Books on International Labour Law:

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XII Inter-American Conference of Ministers of Labour
XII Conferencia Interamericana de Ministros de Trabajo
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THE LABOUR CONFERENCE: A RESOUNDING SUCCESS

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> *Globalization can be directed to improve the lives of all our citizens, but this will only happen when the forces of economic and social progress work together in harmony. This is not an automatic occurrence, and meetings such as the Inter-American Conference of Ministers of Labour are necessary to make it happen.*
>
> — Labour Minister Claudette Bradshaw

On October 17–19, 2001, Canada's Minister of Labour, Claudette Bradshaw, hosted the XII Inter-American Conference of Ministers of Labour in Ottawa, a historic event.

Twenty-one Labour Ministers and representatives from 32 countries of the Organization of American States met to promote basic workers' rights and core labour standards throughout the hemisphere. Delegates were joined by over 200 other participants, including senior government officials; representatives of international organizations, labour, business, civil society organizations, national and international media; and observers.

As host of the three-day Conference, Minister Bradshaw becomes the Conference Chair until the XIII Inter-American Conference of Ministers of Labour in 2003 in Rio de Janeiro.

Canada's four main objectives at the Conference:

- Address and implement the labour and employment mandates of the Quebec Summit Declaration and Plan of Action.
- Ensure that the voice of each OAS member country is heard.
- Involve key international institutions more actively in the Action Plan of the Conference.
- Work actively with business and labour groups to ensure their contributions are taken into consideration.

In the Plan of Action, ministers agreed to work co-operatively to help build the capacity of labour ministries; to promote the International Labour Organization's historic Declaration on Fundamental Principles and Rights at Work; to look for consensus on how to address the labour dimensions of globalization; and to share information and build partnerships to address the special needs of workers.

In the months leading up to the Conference, Minister Bradshaw encouraged her counterparts to invite business and labour representatives to Ottawa as members of their delegations, to ensure business and labour groups would be heard. Many of those groups were present, including the Canadian Labour Congress, the Fédération des travailleurs et travailleuses du Québec and the Canadian Employers Association.

Canada used the opportunity to promote even greater co-operation among groups like the Organization of American States and the International Labour Organization. Moreover, the collaboration of other institutions such as the Pan American Health Organization, the World Bank and the Inter-American Development Bank—keys to a progressive and prosperous hemispheric society—were emphasized.

The Minister was pleased to see so many other important groups present, pointing out that this year's event had the highest rate of participation in the 40-year history of the Conference.

Canada is noted for its leadership both in the context of globalization and in moving forward with the Conference's Plan of Action. Promoting and protecting basic workers' rights is an important Canadian goal. Canada's bilateral and multilateral agreements on labour co-operation aim to achieve this goal. At the root of these agreements, the most recent of which was signed this year with Costa Rica, is a commitment to promote better working and living conditions through the promotion of core labour standards. Continuing this leadership, it was announced just before the Conference that another important step in international labour co-operation was taken with the signing of a Memorandum of Understanding with Brazil.

During the opening session of the Conference, Minister Bradshaw affirmed that the agendas of governments, labour organizations and employer groups can and should coincide. Improving the conditions of working people is a challenge faced by every country in this hemisphere.

Of note, on the second day, was the unanimous adoption of a Statement against International Terrorism. The one-page statement unequivocally condemned the terrorist attacks of September 11, 2001: This terrorist outrage, which targeted people at their workplaces, constitutes an attack upon all citizens of this Hemisphere.

During the final session of the Conference, Minister Bradshaw had everyone's attention as she emphasized the importance of helping labour ministries share best practices and experiences. She went on to say that the gathering of Labour Ministers of the Americas had an important overall purpose—to ensure that globalization is beneficial to every worker in the Americas. She then announced that Canada would contribute $1 million to facilitate maximum participation in these proceedings; to guarantee that all have an equal voice in deliberations.

The nature and warmth of Minister Bradshaw's closing remarks earned her a standing ovation at the Conference, something that won't soon be forgotten.

For more information about the
XII Inter-American Conference of Ministers of Labour

visit its Web site at
http://www.XII-iacml.org

SELECTION OF RECENT CHANGES IN CANADIAN LABOUR LAWS

Adopted Bills, Regulations and Other Statutory Instruments

Michel Gauvin and Charles Philippe Rochon
Strategic Policy and International Labour Affairs
Labour Program, Human Resources Development Canada

British Columbia: *Skills Development and Labour Statutes Amendment Act, 2001*; Bill 18 Assented to August 16, 2001

This Act brought a number of changes to the *Labour Relations Code*, most notably in the areas of trade union certification, sectoral bargaining in the construction industry and essential services in the education sector.

Trade Union Certification

A secret ballot representation vote is now mandatory when the Labour Relations Board is satisfied that on the date it receives an application for certification at least 45 per cent of the employees in the unit are members in good standing of the trade union. The vote must be conducted within 10 days from the date the application is received or, if the vote is to be conducted by mail, within a longer period the Board orders. The Board may order another representation vote if less than 55 per cent of the employees in the unit cast ballots.

Construction Industry

The Act has repealed Part 4.1 of the Code. Part 4.1 of the Code provided for sectoral bargaining in the industrial, commercial and institutional components of the construction industry. That Part required that all craft unions and the unionized employers having a bargaining relationship with them in that sector operate under a single master agreement. It also provided that any newly certified employers automatically came under the master agreement.

Despite the repeal of Part 4.1, the union bargaining council established under that Part is continued for the purposes of collective bargaining under the Code with the Construction Labour Relations Association of B.C. representing contractors.

Essential Services in Public Education

The essential services provisions of the Code have been amended to authorize the chair of the Labour Relations Board, on his/her own initiative or on application by either of the parties to a collective bargaining dispute, to investigate whether or not the dispute poses a threat to the health, safety or welfare of the residents of British Columbia, as previously provided in the legislation, or, as added by the Act, to the provision of educational programs to students and eligible children under the *School Act*, and to report the results of the investigation to the Minister of Skills Development and Labour.

If after receiving a report of the chair respecting a dispute or on his/her own initiative the Minister considers that a dispute poses a threat to the provision of educational programs to students and eligible children under the *School Act*, he/she may direct the Board to designate as essential services those facilities, productions and services that it considers necessary or essential to prevent immediate and serious disruption to the provision of educational programs.

These amendments came into force on August 16, 2001.

British Columbia: *First Job/Entry Level Wage Regulation*; O.C. 981, approved and ordered November 8, 2001

This Regulation amended the *Employment Standards Regulation* to create a special minimum wage rate for employees who have little or no previous paid employment experience. Effective November 15, 2001, the minimum wage is $6.00 an hour for employees who had no paid employment experience before that date and who have since accumulated less than 500 hours of paid employment experience with one or more employers. After accumulating 500 hours of paid work experience, employees are entitled to receive the regular minimum wage, which increased to $8.00 per hour on November 1, 2001. These new minimum wage rates do not affect employees covered by special daily/monthly minimum wage rates (i.e., live-in home support workers, live-in camp leaders and resident caretakers), or piece work rates (i.e., farm workers who hand harvest certain crops).

Northwest Territories: *National Aboriginal Day Act*; Bill 6, assented to November 6, 2001

In recognition of the cultures and contributions of Aboriginal persons, the Legislative Assembly of the Northwest Territories has designated a new holiday, *National Aboriginal Day*, to be observed June 21 of each year. Consequently, the *Interpretation Act*, the *Public Service Act* and the *Labour Standards Act* will be amended to add National Aboriginal Day to the definition of (general) holiday.

Employees in the Northwest Territories who meet eligibility requirements will therefore be entitled to ten general holidays with holiday pay per year, which is more than what is provided for in the labour standards laws of the other jurisdictions in Canada. The *National Aboriginal Day Act* will come into force on January 1, 2002.

Quebec: *An Act to amend the Labour Code, to establish the Commission des relations du travail and to amend other legislative provisions*; Bill 31 Assented to June 21, 2001

This Act brings many amendments to the *Labour Code* and also amends other laws in consequence thereof. Unless otherwise indicated, these amendments will come into force on a date or dates to be set by the government. The most important amendments are described below.

Labour Relations Commission

A unified decision-making authority having jurisdiction in labour relations, the Labour Relations Commission (Commission des relations du travail), will be established. It will be responsible for ensuring the diligent and efficient application of the *Labour Code* (it will notably take over the functions currently exercised by the office of the labour commissioner general) and exercising the other functions assigned to it under the Code or other Acts.

The Commission will be composed of a president, two vice-presidents and commissioners as well as members of its personnel who are entrusted with rendering decisions on its behalf. The government will determine the number of commissioners and will appoint them after consultation with the most representative associations of workers and employers' associations. The commissioners will be appointed from among persons declared to be qualified according to the recruiting and selection procedure established by regulation. The Commission will deal with complaints and applications made under the *Labour Code* or other legislation that confers jurisdiction on the Commission to settle complaints and handle recourses. A complaint, a proceeding or an application will be heard and decided by one commissioner, except as regards a certification granted by a labour relations officer. The president may, where he/she considers it appropriate, assign a matter to a panel of three commissioners that includes at least one advocate or notary who presides the sitting.

The Essential Services Council (Conseil des services essentiels) continues to carry out its duties and exercise its powers in matters relating to essential services.

The new Labour Relations Commission will be given the appropriate powers necessary for the exercise of its functions, in particular the power to issue orders, including safeguarding or preventive orders, and the power to initiate pre-decision conciliation, if the parties agree, to bring them to an agreement. The decisions of the Commission will not be subject to appeal and accordingly, the Labour Court will be abolished.

Employee Status

Every employer who intends to make changes to the mode of operation of his/her undertaking entailing the conversion of the status of an employee to whom a certification or a petition for certification applies to that of contractor without employee status, will be required to so inform the association of employees concerned by means of a written notice containing a description of the changes.

The association may, within 30 days after receipt of the notice, apply to the Commission for a determination as to whether or not employee status will be maintained for those who accept to work under the proposed conditions. The Commission will have to render its decision within 60 days after receipt of the association's application.

The employer may not implement the intended changes until the Commission has dealt with the application or until the 30-period for requesting its intervention has expired.

Certification

A labour relations officer of the Commission will immediately certify an association of employees even where there is no agreement with the employer as regards part of the bargaining unit, if the officer ascertains that the association is nevertheless representative and is of the opinion that it will remain representative regardless of any decision of the Commission on the description of the bargaining unit. No notice to bargain may be given by the certified association before a decision is made by the Commission on that issue.

Where a certified association already exists, or where there is more than one petitioning association of employees, the labour relations officer will certify the association grouping the absolute majority of the employees or, if not, hold a secret ballot in accordance with the pertinent provisions of the Code if the officer ascertains that there is agreement on the bargaining unit and on the persons contemplated by it between the employer and any association concerned. If there is disagreement on the bargaining unit or on the persons included in it, the officer will make a report on the disagreement to the Commission.

The decision of the Commission concerning a petition for certification will have to be rendered within 60 days of the filing of the petition. However, in the case of a petition in respect of a group of employees of the public and parapublic sectors, the decision of the Commission will have to be rendered within the period comprised between the end of the period for filing a petition for certification and the date of expiry of a collective agreement or anything in lieu thereof. The president of the Commission may grant an extension of these periods.

Alienation of an Undertaking

Effective July 15, 2001, section 45 of the *Labour Code*, which provides that the alienation or operation by another in whole or in part of an undertaking does not invalidate any certification, collective agreement or proceeding relating thereto, applies to judicial sales.

Under a new provision, the employer will be required to give the association of employees concerned a notice indicating the date on which he/she intends to alienate or transfer the operation of all or any part of his/her undertaking. The association will have 90 days after the date of receipt of the notice (or 270 days after learning about the transaction if no notice is given) to apply to the Commission for a determination as to the application of section 45.

Where the operation of part of an undertaking is transferred, the following rules will apply despite section 45:

(1) the collective agreement expires 12 months after the date of the transfer of the operation of part of the undertaking (or earlier, according to the expiry date specified in the agreement itself), unless, on motion by an interested party filed within the prescribed time, the Commission determines that the new employer remains bound by the collective agreement until the date fixed for its expiry, if it considers that the transfer was made for the purpose of dividing a bargaining unit or interfering with the power of representation of an association of employees (this does not apply in the case of the transfer of part of an undertaking between employers in the public or parapublic sectors);

(2) the new employer is not bound by the certification or the collective agreement where a special agreement on the transfer of the operation of part of the undertaking includes a clause to the effect that the parties elect not to apply to the Commission to request the application of section 45. Such a clause will bind the Commission, but will not alter the effect, within the transferring employer's enterprise, of the certification of the association of employees having signed the agreement.

Effective July 15, 2001, another provision ensures that a certification, a collective agreement made and any proceedings for the securing of certification or the making or carrying out of a collective agreement continues where an undertaking subject to the *Canada Labour Code* as regards labour relations becomes, in that regard, subject to the legislative authority of Quebec.

However, in such a case, the new employer is bound by a collective agreement made by an uncertified association only until the expiry of 90 days after the date of alienation or transfer of operation if the association has not filed, during that time, a petition for certification in respect of the bargaining unit governed by the collective agreement or in respect of an essentially similar unit. If such a petition for certification is filed within that time, the collective agreement continues to bind the new employer until the date of a decision rendered by the Commission refusing, as the case may be, to grant certification.

No certification may be applied for by another association of employees in respect of such a bargaining unit before the expiry of that 90-day period or, if as previously mentioned a petition for certification is filed during that time, before the date of the decision of the Commission refusing, as the case may be, to grant certification.

It will be the duty of the Commission, at the request of an interested party, to deal with any matter relating to the above mentioned provisions. For that purpose, the Commission may, in particular, determine the applicability of those provisions. It may also, upon the request of an interested party, settle any difficulty arising out of the application of those provisions and of their effects in the manner it considers the most appropriate.

Where two or more associations of employees are concerned, the Commission will notably have the power to merge bargaining units and, where two or more collective agreements apply to the employees of the new employer included in a bargaining unit resulting from the merger, determine the collective agreement that will remain in force and make any modification or adaptation to the provisions of the collective agreement it considers necessary. The merger of bargaining units will entail the merger, if any, of the employees seniority lists to which they applied, according to the rules determined by the Commission governing the employees integration.

Vote on Last Offers

The Commission may, at the request of the employer and if it considers that it may foster the negotiation or making of a collective agreement, order a certified association of employees to hold, on the date or within the time limit it determines, a secret ballot to give its members that are included in the bargaining unit an opportunity to accept or refuse the last offers made by the employer on all the matters still in dispute between the parties. The Commission may order the holding of such a ballot only once at the negotiation stage of a collective agreement. The ballot will be held under the supervision of the Commission, according to the rules it determines.

Interest Arbitration

An amendment provides that, effective July 15, 2001, when a collective bargaining dispute is referred to an arbitrator at the request of the parties or when a first collective agreement is settled by arbitration, the maximum term of the arbitration award is increased from two to three years.

Essential Services

Where, on receiving an agreement or a list, the Essential Services Council assesses whether the essential services provided for therein are sufficient and considers them to be insufficient, it may, before reporting the situation to the Minister of Labour, make appropriate recommendations to the parties to amend the agreement or the list. It may also, effective July 15, 2001, order the association of employees concerned to postpone the exercise of its right to strike until it informs the Council of the action it intends to take in respect of the recommendations.

In addition, on the same date, the Essential Services Council replaced the Labour Court in the essential services determination process when such services must be maintained during a strike of provincial public servants, except peace officers who are not permitted to strike. If no agreement on essential services is reached by the parties, a party may request the Council to designate a person to help the parties to reach an agreement, or to itself determine what essential services must be maintained and in what manner. The party making such a request must notify the other party without delay. On receiving a request under this provision of the Code, the Council, on its own initiative or at the request of either party, may designate a person to help the parties to reach an agreement. The Council may also, at any time after receiving the request, determine the essential services that must be maintained in the event of a strike and the manner of maintaining them. In addition, it may, at any time, at the request of either party, modify its decision. No person may derogate from any of the provisions of an agreement between the parties or from a decision made by the Council.

Repeal of a Previous Act

The *Act to establish the Commission des relations du travail and to amend various legislation*, which was assented to December 18, 1987 and was not proclaimed into force, was repealed on July 15, 2001.

Amendments to other Laws

The Act also makes a number of consequential amendments to other laws, including the *Act respecting labour standards* and the *Pay Equity Act*. These amendments will bring changes with respect to the administration and enforcement of these Acts.

Since the Labour Court and the office of the labour commissioner general will be abolished, and the decision-making responsibilities of the latter will be transferred to the Labour Relations Commission, an employee who believes he/she is the victim of a dismissal or a forced retirement prohibited under the *Act respecting labour standards* will have to file any complaint with the Labour Relations Commission instead of the labour commissioner general. Likewise, if no settlement is reached within 30 days following the receipt of a complaint regarding a dismissal without good and sufficient cause by the Labour Standards Commission (*Commission des normes du travail*), an employee will be entitled to request in writing to have his/her complaint deferred to the Labour Relations Commission. Its decisions will be without appeal, binding both the employer and employee.

Some provisions of the *Pay Equity Act* will also be amended by replacing all references to the Labour Court with references to the Labour Relations Commission. Consequently, a party that is dissatisfied with a decision of the Pay Equity Commission (*Commission de l'équité salariale*) will be entitled to apply to the Labour Relations Commission. Furthermore, the Pay Equity Commission will be able to refer to the latter, instead of the Labour Court, to ensure the implementation of decisions, to ensure compliance with the Act or to take appropriate measures against a person who has taken reprisals against an employee for reasons forbidden by the Act.

For additional information on recently adopted or proposed changes to Canadian Labour Laws, please visit the Labour Program Web site at:

http://labour.hrdc-drhc.gc.ca

and click on "Canadian Labour Law Information".

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Work-Life Balance

Beaujot, Roderic P. **Earning and Caring in Canadian Families.** Peterborough, Ont.: Broadview Press, 2000.
HRDC HD4904.25 B46

Based on a detailed look at the abundant data and analysis available on families, this book analyses the tensions associated with accommodating the demands of family and work. Much writing on families tends to accentuate crisis and conflict, but family activities of women and men are shown here to be both similar and different. A study of total time spent on paid plus unpaid labour reveals no large differences between the time expended by men and women, although differences lie in the division of work. In this context, the book offers new approaches to public policy and human resource issues facing public and private organizations.

CANADA. Human Resources Development Canada. Labour Program. **Work and Family Provisions in Canadian Collective Agreements**. Edited by Charles Philippe Rochon. Hull, Quebec: Human Resources Development Canada, 2000.
On Internet: <http://labour-travail.hrdc-drhc.gc.ca/worklife/welcome-en.cfm>.
HRDC CA1 MPH LA102 00W63

This valuable working tool, based on an analysis of family-friendly provisions from a large sample of major Canadian collective agreements available at the Human Resources Development Canada Labour Program Collective Agreement Library, identifies innovative practices and emerging bargaining priorities on this issue.

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Daly, Kerry. **It Keeps Getting Faster: Changing Patterns of Time in Families.** (Contemporary Family Trends) Ottawa: The Vanier Institute of the Family, 2000. On Internet: <http://www.vifamily.ca/index.htm>. HRDC HQ535 C66 D35

The accelerated pace of technological change in recent years has made it increasingly difficult to balance time requirements for work, family and leisure. Caught between their familial and work responsibilities, parents are left feeling that they have not done enough with their children and families. This loss of control over time use greatly increases the anxiety and stress felt by individuals and families. The 1998 General Social Survey (Statistics Canada, 1999) indicates that Canadians are working more and experiencing a corresponding decline in time available for family and leisure.

Duxbury, Linda and Chris Higgins. **Work-Life Balance in the New Millennium: Where Are We? Where Do We Need to Go?** (CPRN Discussion Paper No. W|12); Ottawa, Canadian Policy Research Networks, 2001. On Internet: <http://www.cprn.org>.

Duxbury uses data from her 1991 and 2001 work and family studies to examine the effects of three types of work-life conflict in medium and large Canadian organizations: having too much work to do; work demands conflicting with family responsibilities; and family demands conflicting with work. During the 1990s, work-life balance has become more problematic, adversely affecting quality of life and organizational performance. The paper examines progress made in this area, and recommends 27 strategies to reduce all three types of work-life interference.

Johnson, Karen L., Donna S. Lero and Jennifer A. Rooney. **Work-Life Compendium 2001: 150 Canadian Statistics on Work, Family & Well-Being**. Guelph, Ont.: Centre for Families, Work and Well-Being, University of Guelph; Human Resources Development Canada, c2001. On Internet <http://www.hrdc-drhc.gc.ca/stratpol/gap-pas/pub_e.shtml>. HRDC CA1 MPY239 O1W55

Using facts and figures compiled from the most recent Canadian data available, the authors address the difficulties of Canadian workers in integrating work and family responsibilities. Topics covered include child and elder care, labour legislation and workplace change.

Peel, Kathy. **The Family Manager's Guide for Working Moms.** New York: Ballantine Books, 1997. HRDC HQ759.48 P43

This family manager's guide provides tips and solutions for daily issues to ensure a successful balancing of the demands of career and family life.

Williams, Joan. **Unbending Gender: Why Family and Work Conflict and What to Do About It.** New York; Toronto: Oxford University Press, 2000.
HRDC HD4904.25 W55

The author finds that good jobs in America are designed for the ideal employee, who works full-time and often overtime, with no career interruptions. Even today, most American mothers do not meet this ideal. The book argues that employers need to implement policies that structure work around family values to support mothers and fathers as caregivers and workers.

Zadel, Leah H. **Work and Family Programs That Help to Balance the Dual Role.** Kingston, Ont.: IRC Press, 2000.
HRDC HD8102 K534 Z32

Many Canadians are now working a "double day", completing their paid work only to begin their unpaid work in the home. The resulting stress is clearly visible in the workplace, in the form of declining employee productivity. Many Canadian organizations, slow to respond to the problem, view the cost of work-family programs as an expense rather than an investment. But they will need to change in order to survive. The author identifies key elements of a work-family program and shows how organizations can build on ad hoc provisions that are often already in place.

Zappert, Laraine T. **Getting it Right: How Working Mothers Successfully Take Up the Challenge of Life, Family, and Career.** New York, Pocket Books, 2001.
HRDC HQ759.48 Z36

This book is based on hundreds of case studies from two decades of clinical and research practice and a study of three generations of alumnae of the Stanford University Graduate School of Business. Women professionals in a wide variety of occupations offer strategies on issues such as timing the birth of their children, allocating housework, evaluating various work arrangements and lining up support.

YESTERDAY AND TODAY

Contract Duration

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Fifty Years Ago...

In 1951, the *Labour Gazette* identified a recent trend in the United States towards the signing of collective agreements to be in effect over a number of years. A survey was carried out by the Canadian Department of Labour to determine the extent of such a trend in Canada. Specifically, the survey reviewed the proportion of collective agreements in force for a period longer than one year.

The survey covered agreements on file with the Department and that had become effective since January 1, 1951. The survey showed that of the 1,094 agreements, 936, or 86 per cent, had a duration of one year or less; 63 agreements (6.0 per cent) had a duration of over one year but under two years. A further 85 agreements (8.0 per cent) had a duration of two years. Only 10 agreements reported a duration greater than two years (seven agreements of three years and three agreements of five years). Interestingly, in June 1950, General Motors and the United Automobile Workers signed a five-year agreement, which was the first long-term contract in Canada covering a large number of workers. However, comparatively few such agreements were negotiated in 1951. This pattern of short-term agreements was relatively constant throughout the various industrial groups.

Today...

The prevalence of collective agreements of one year or less duration is very low: 14 per cent (of which, 95 per cent were in the public sector) in 2000 and 16 per cent (of which, 90 per cent are in the public sector) in 2001 to-date.

Over the last decade, the average contract duration has moved from 18.2 months in 1991 to a high of 36.3 months in 1999 to 35.0 months in 2000.

The proportion of agreements greater than two-years duration accounts for more than 70 per cent of agreements. Furthermore, close to one-third (31 per cent) of agreements have a duration greater than three years, with an average duration of 49.9 months.

From 1995 to 1999, agreements with a duration greater than three years were more prevalent in the private sector. The trend was reversed in 2000 and the representation is equal in both private and public sectors in year-to-date settlements for 2001.

Since 1994, the Quebec jurisdiction has consistently led in the number of settlements with a duration greater than three years. Ontario has shown a fairly strong presence, while British Columbia had a strong representation in 1995. The federal jurisdiction has had an increasing presence in 1996, 1999 and 2000.

By industry sector, manufacturing and social services, and to a lesser extent, trade, transportation and public administration, have been the leaders in the prevalence of collective agreements with a duration of greater than three years. This trend has been fairly consistent since 1995.

Unions associated with collective agreements with a duration of greater than three years are listed by ranking in the following table.

Union	Number of Agreements
Canadian Union of Public Employees	80
United Food and Commercial Workers	55
United Steelworkers of America	51
Communication, Energy & Paperworkers	51
International Brotherhood of Teamsters	37
Canadian Autoworkers	36